



**DINESH ENGINEERS LIMITED**  
Corporate Identity Number: - U31200MH2006PLC159570

Our Company was originally incorporated as Dinesh Engineers Private Limited on February 07, 2006 at Mumbai, Maharashtra, India as a private limited company under the Companies Act, 1956. Thereafter, pursuant to a special resolution passed by our Shareholders on November 25, 2017, Our Company was subsequently converted into a public limited company and its name was changed to “Dinesh Engineers Limited” and a fresh certificate of incorporation consequent upon change of name was issued by the Registrar of Companies, Mumbai, Maharashtra on January 30, 2018. For details of changes in the name and the registered office of our Company, see the chapter titled “History and Certain Corporate Matters” beginning on page 133 of this Red Herring Prospectus.

**Registered Office:** DEPL House Neighbourhood Shopping Complex Sector-4, Nerul Navi Mumbai -400706 Maharashtra, India  
**Tel No:** + 91-022-27704600/4700; **E-mail:** [admn@depl.co.in](mailto:admn@depl.co.in); **Website:** [www.depl.co.in](http://www.depl.co.in)

**CONTACT PERSON: MR. ABHISHEK GUPTA, (COMPANY SECRETARY & COMPLIANCE OFFICER)**

**PROMOTERS OF OUR COMPANY: MR. DINESH KOLLAIAH KARGAL & MRS. SHASHIKALA DINESH KARGAL**

**THE ISSUE**

**INITIAL PUBLIC OFFERING OF UP TO 10,000,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH (THE “EQUITY SHARES”) OF DINESH ENGINEERS LIMITED ( “OUR COMPANY”) OR THE “ISSUER”) FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) (THE “ISSUE PRICE”), AGGREGATING UP TO ₹ [●] MILLION (THE “ISSUE”). THE ISSUE WOULD CONSTITUTE [●] % OF OUR POST-ISSUE PAID-UP EQUITY SHARE CAPITAL AND THE ISSUE TO THE PUBLIC WOULD CONSTITUTE [●] % OF OUR POST-ISSUE PAID-UP EQUITY SHARE CAPITAL. THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10 EACH. THE PRICE BAND, AND THE MINIMUM BID LOT WILL BE DECIDED BY THE COMPANY IN CONSULTATION WITH THE BRLM AND WILL BE ADVERTISED IN ALL EDITIONS OF BUSINESS STANDARD, ALL EDITIONS OF BUSINESS STANDARD AND MUMBAI EDITIONS OF NAVSHAKTI WHICH ARE WIDELY CIRCULATED IN ENGLISH, HINDI AND MARATHI NEWSPAPERS, RESPECTIVELY (MARATHI BEING THE REGIONAL LANGUAGE OF MAHARASHTRA, WHERE OUR REGISTERED OFFICE IS LOCATED) AT LEAST FIVE WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO THE BSE LIMITED (“BSE”) AND THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED (“NSE”) FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITE.**

In case of any revisions to the Price Band, the Bid/Issue Period will be extended by at least 3 additional Working Days after such revision of the Price Band, subject to the total Bid/Issue Period not exceeding ten Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a press release, and also by indicating the change on the website of the BRLM and the terminals of the Syndicate Members and by intimation to Self Certified Syndicate Banks (“SCSBs”) and the Registered Brokers.

In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended (the “SCRR”) the Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. The Issue is being made through the Book Building Process, in compliance with Regulation 26(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the “SEBI ICDR Regulations”) wherein not more than 50 % of the Issue will be allocated on a proportionate basis to Qualified Institutional Buyers (“QIBs”) (the “QIB Category”), provided that our Company, in consultation with the BRLM, may allocate up to 60% of the QIB Category to Anchor Investors, on a discretionary basis (the “Anchor Investor Portion”), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Issue Price. Further, 5% of the QIB Category (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only and the remainder shall be available for allocation on a proportionate basis to QIBs including Mutual Funds, subject to valid Bids being received from them at or above the Issue Price. Further, not less than 15% of the Issue will be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Issue will be available for allocation to Retail Individual Investors, in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. All investors (except Anchor Investors) shall participate in this Issue mandatorily through the Applications Supported by Blocked Amount (“ASBA”) process by providing details of their respective bank accounts which will be blocked by SCSBs. For details, see “Issue Procedure” beginning on page 431 of this Red Herring Prospectus.

**RISK IN RELATION TO THE FIRST ISSUE**

This being the first public issue of the 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 of the Company is ₹10.00 per equity share and the Floor Price and Cap Price are [●] times and [●] times of the face value of the Equity Shares, respectively. The Issue Price (will be determined and justified by our Company in consultation with the BRLM as stated under the paragraph ‘Basis for Issue Price’ beginning on page 95 of this Red Herring 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**

Investments in equity and equity related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the “Risk Factors” carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of this Red Herring Prospectus. **Specific attention of the investors is invited to the section titled ‘Risk Factors’ beginning on page 18 of this Red Herring Prospectus.**

**ISSUER’S ABSOLUTE RESPONSIBILITY**

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

**LISTING**

The Equity Shares issued through the Red Herring Prospectus are proposed to be listed on BSE and NSE. Our Company has received an in-principle approval from BSE and NSE for the listing of the Equity Shares pursuant to the letters dated May 02, 2018 and June 11, 2018, respectively. For the purposes of the Issue, the Designated Stock Exchange shall be National Stock Exchange of India Limited. A copy of this Red Herring Prospectus and the Prospectus shall be delivered for registration to the RoC in accordance with Section 26(4) of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus upto the Bid/Issue Closing Date, see the section titled “Material Contracts and Documents for Inspection” beginning on page 516 of this Red Herring Prospectus.

**BOOK RUNNING LEAD MANAGER TO THE ISSUE**

**REGISTRAR TO THE ISSUE**

 <b>Hem Securities Ltd</b>  <b>HEM SECURITIES LIMITED</b> 203, Jaipur Tower, M.I. Road, Jaipur-302001 <b>Tel. No.:</b> +91- 0141-4051000 <b>Website:</b> <a href="http://www.hemsecurities.com">www.hemsecurities.com</a> <b>Email:</b> <a href="mailto:jib@hemsecurities.com">jib@hemsecurities.com</a> <b>Investor Grievance Email:</b> <a href="mailto:redressal@hemsecurities.com">redressal@hemsecurities.com</a> <b>Contact Person :</b> Mr. Sourabh Garg <b>SEBI Regn. No.</b> INM000010981	 <b>LINK Intime</b>  <b>LINK INTIME INDIA PVT LIMITED</b> C-101, 1 <sup>st</sup> Floor, 247 Park, LBS Marg, Vikhroli (West), Mumbai-400083, Maharashtra, India <b>Tel No.:</b> +91-22-49186200 <b>Fax No.:</b> +91-22-49186195 <b>Email:</b> <a href="mailto:dineshengineers.ipo@linkintime.co.in">dineshengineers.ipo@linkintime.co.in</a> <b>Investor Grievance E-mail:</b> <a href="mailto:dineshengineers.ipo@linkintime.co.in">dineshengineers.ipo@linkintime.co.in</a> <b>Website:</b> <a href="http://www.linkintime.co.in">www.linkintime.co.in</a> <b>Contact Person:</b> Ms. Shanti Gopalkrishnan <b>SEBI Regn. No.:</b> INR000004058
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**BID/ISSUE PROGRAMME**

**BID/ISSUE OPENS ON: SEPTEMBER 28, 2018<sup>(1)</sup>** **BID/ISSUE CLOSURES ON: OCTOBER 03, 2018<sup>(2)</sup>**

<sup>(1)</sup>Our Company may, in consultation with the BRLM, consider participation by Anchor Investors. The Anchor Investor shall bid on the Anchor Investor Bidding Date i.e. one Working Day prior to the Bid / Issue Opening Date i.e. September 27, 2018.

<sup>(2)</sup>Our Company may, in consultation with the BRLM, consider closing the Bidding by QIB Bidders one Working Day prior to the Bid / Issue Closing Date in accordance with the SEBI Regulations.

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## SECTION I – GENERAL DEFINITIONS AND ABBREVIATIONS

*This Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act or regulation, as amended 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.*

### General Terms

Term	Description
“Dinesh Engineers Limited”, “our Company”, “the Company”, “the Issuer Company” or “the Issuer”	Unless the context otherwise requires, refers to Dinesh Engineers Limited, a public limited company incorporated under the Companies Act, 1956 vide Certificate of Incorporation issued by the Registrar of Companies, Maharashtra, Mumbai and having its Registered and Corporate Office situated at DEPL House, Neighbourhood Shopping Complex, Sector-4, Nerul, Navi Mumbai, Maharashtra 400706 India.
“we”, “us”, “our” or “Group”	Unless the context otherwise indicates or implies, refers to our Company together with its Associates and Subsidiaries.

### Company Related Terms

Term	Description
Articles of Association/AoA	Articles of Association of our Company, as amended from time to time.
Associate Company(ies)	The associate companies of our Company in terms of Section 2(6) of the Companies Act, 2013, namely, Delix Net Solutions Private Limited & Vaviya Developers Private Limited.
Audit Committee	The audit committee of our Company as described in the section entitled “ <i>Our Management</i> ” on page 141 of this Red Herring Prospectus.
Auditors/Statutory Auditors	Statutory auditors of our Company, namely, Mansaka Ravi & Associates, Chartered Accountants.
Board/Board of Directors/Our Board	The Board of Directors of our Company including any duly constituted committee thereof.
CFO	Chief Financial Officer of our Company, Aksh Devesh Jain.
Compliance Officer	Compliance officer in terms of the SEBI ICDR Regulations of our Company, Abhishek Gupta.
CSR Committee	Corporate Social Responsibility Committee of our Company, as described in “ <i>Our Management</i> ” on page 144 of this Red Herring Prospectus.
Director(s)	Director(s) of our Company.
Equity Shares	Equity shares of our Company of face value of ₹ 10 each.
Group Companies	Companies which are covered under the applicable accounting standards and also other companies as considered material by our Board, as identified in “ <i>Group Companies</i> ” beginning on page 153 of this Red Herring Prospectus.
Key Management Personnel (KMP)	Key management personnel of our Company in terms of Regulation 2(1) (s) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act, 2013 and as disclosed in “ <i>Our Management</i> ” on page 145 of this Red Herring Prospectus.
Managing Director	The Managing Director of our Company, Dinesh Kollaiah Kargal.
Materiality Policy	Policy for identification of group companies, material outstanding litigations and material creditors of the Company, pursuant to the disclosure requirements under SEBI ICDR Regulations, as adopted by the Board through its resolution dated February 21, 2018 and August 20, 2018.
Memorandum of Association/MoA	Memorandum of Association of our Company, as amended from time to time.

Nomination & Remuneration Committee	Nomination and Remuneration Committee of our Company, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations.
Person or Persons	Any Individual, Sole Proprietorship, Unincorporated Association, Unincorporated Organization, Body Corporate, Corporation, Company, Partnership Firm, Limited Liability Partnership Firm, 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.
Promoter(s)	Promoters of our Company namely, Mr. Dinesh Kollaiah Kargal and Mrs. Shashikala Dinesh Kargal. For details, see “ <i>Our Promoters and Promoter Group</i> ” beginning on page 148 of this Red Herring 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. For details, see “ <i>Our Promoters and Promoter Group</i> ” on page 150 of this Red Herring Prospectus.
Registered and Corporate Office	The Registered and Corporate Office of our Company situated at DEPL house, Neighbourhood Shopping Complex, Sector-4, Nerul, Navi Mumbai Maharashtra – 400706, India.
Registrar of Companies/RoC	The Registrar of Companies, Maharashtra, Mumbai.
Restated Consolidated Financial Statements	The Restated Consolidated Financial Statements of our Company comprising of Restated consolidated summary statement of assets and liabilities as of and for the year ended March 31, 2018, 2017, 2016 prepared in accordance with Ind AS and the Restated consolidated summary statement of assets and liabilities as of and for the year March 31, 2015 prepared in accordance with Indian GAAP and the restated consolidated summary statement of profit and loss and the restated consolidated summary statement of cash flows for the fiscal ending March 31, 2018, 2017, 2016 prepared in accordance with Ind AS and the restated consolidated summary statement of profit and loss and the restated consolidated summary statement of cash flows for the year March 31, 2015 prepared in accordance with Indian GAAP.
Restated Financial Statements	Collectively, the Restated Consolidated Financial Statements and the Restated Standalone Financial Statements.
Restated Standalone Financial Statements	The Restated Standalone Financial Statements of our Company comprising of Restated standalone summary statement of assets and liabilities as of and for the year ended March 31, 2018, 2017, 2016 prepared in accordance with Ind AS and the Restated standalone summary statement of assets and liabilities as of and for the year March 31, 2015 and 2014 prepared in accordance with Indian GAAP and the restated summary statement of profit and loss and the restated standalone summary statement cash flows for the fiscal ending March 31, 2018, 2017, 2016 prepared in accordance with Ind AS and the restated summary statement of profit and loss and the restated standalone summary statement cash flows for the year ended on March 31, 2015 and 2014 prepared in accordance with Indian GAAP.
Shareholders	Shareholders of our Company from time to time.
Stakeholders Relationship Committee	Stakeholders relationship committee of our Company, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations.
Subsidiary	Subsidiary of our Company namely, Dataexpress Private Limited.

### Issue Related Terms

Term	Description
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to a Bidder as proof of registration of the Bid cum Application Form.
Allotment/Allot/Allotted	Unless the context otherwise requires, means the allotment of Equity Shares, pursuant to the Issue to the successful Bidders.
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders who have been or are to

	be allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee (s)	A successful Bidder to whom the Equity Shares are allotted.
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus.
Anchor Investor Allocation Notice	Notice or intimation of allocation of Equity Shares sent to Anchor Investors who have been allocated Equity Shares, and includes any device, intimation or notice sent to Anchor Investors in the event that the Issue Price is higher than the Anchor Investor Allocation Price.
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to Anchor Investors at the end of the Anchor Investor Bid/Issue Period in terms of the Red Herring Prospectus and the Prospectus which will be decided by our Company, in consultation with the BRLM.
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus.
Anchor Investor Bid/Issue Period	The day, one Working Day prior to the Bid/Issue Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to Anchor Investors shall be completed.
Anchor Investor Issue Price	Final price at which the Equity Shares will be Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by our Company in consultation with the BRLM.
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company in consultation with the BRLM, to Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations out of which one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price.
“Application Supported by Blocked Amount” or “ASBA”	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorize an SCSB to block the Bid Amount in the ASBA Account.
ASBA Account	Bank account maintained with an SCSB which will be blocked by such SCSB to the extent of the Bid cum Application Amount of the ASBA Bidder.
ASBA Bidders	Any Bidder except Anchor Investor.
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus.
Banker to the Company	Kotak Mahindra Bank Limited and Yes Bank Limited.
Bankers to the Issue / Escrow Collection Bank	Banks which are clearing members and registered with SEBI as Bankers to an Issue and with whom the Public Issue Account will be opened, in this case being Kotak Mahindra Bank Limited.
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful bidders under the issue and which is described in the chapter titled “ <i>Issue Procedure</i> ” on page 466 of this Red Herring Prospectus.
Bid	An indication to make an offer during the Bid/Issue Period a Bidder ( <i>other than an Anchor Investor</i> ) or on the Anchor Investor Bidding Date by an Anchor Investor, pursuant to submission of a Bid-cum-Application Form to purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and the term “Bidding” shall be construed accordingly.
Bidding	The process of making a Bid.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidder, as the case may be, upon submission of the Bid in the Issue.

Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as applicable.
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.
Bid/Issue Closing Date	<p>Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, which shall be notified in all editions of the English national newspaper Business Standard, all editions of the Hindi national newspaper Business Standard and the Mumbai edition of the Marathi daily newspaper Navshakti (Marathi being the regional language of Maharashtra, where the Registered Office of our Company is situated), each with wide circulation.</p> <p>Our Company may in consultation with the BRLM, consider closing the Bid/ Issue Period for QIBs one Working Day prior to the Bid/ Issue Closing Date in accordance with the SEBI ICDR Regulations.</p>
Bid/Issue Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, which shall be notified in all editions of the English national newspaper Business Standard, all editions of the Hindi national newspaper Business Standard and the Mumbai edition of the Marathi daily newspaper, Navshakti (Marathi being the regional language of Marathi, where the Registered Office of our Company is situated) each with wide circulation.
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor.
Bidding Centers	Centers at which the Designated Intermediaries shall accept the ASBA Forms, i.e. Designated SCSB Branch for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Book Building Process	Book building process, as provided in Schedule XI of the SEBI ICDR Regulations, in terms of which the Issue is being made.
Book Running Lead Manager or BRLM or Manager	The book running lead manager to the Issue namely Hem Securities Limited.
Broker Centres	<p>Broker centres notified by the Stock Exchanges where ASBA Bidders can submit the ASBA Forms to a Registered Broker.</p> <p>The details of such Broker Centres, along with the names and contact details of the Registered Broker are available on the respective websites of the Stock Exchanges (<a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a>).</p>
BSE	BSE Limited.
CAN or Confirmation of Allocation Note	The Notice or advice or intimation sent to each successful Bidders indicating the Equity which will be allotted, after approval of Basis of Allotment by the designated Stock Exchange.
Cap Price	The higher end of the Price Band, i.e. Rs. [●], above which the Issue Price and the Anchor Investor Issue Price will not be finalized and above which no Bids will be accepted.
Cash Escrow Agreement	Agreement dated September 12, 2018 entered into by our Company, the Registrar to the Issue, the BRLM, the Escrow Collection Bank, the Public Issue Account Bank(s) and the Refund Bank, inter alia, for collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Issue Account and where applicable, refunds of the amounts collected from Anchor Investors, on the terms and conditions thereof.
Client Id	Client Identification Number maintained with one of the Depositories in relation to demat account.
Collecting Depository Participants or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Cut-off Price	Issue Price, finalised by our Company in consultation with the BRLM.



		Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price.
Demographic Details		Details of the Bidders including the Bidder's address, name of the Bidder's father/husband, investor status, occupation and bank account details.
Designated Locations	CDP	Such locations of the CDPs where Bidders can submit the ASBA Forms.  The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com).
Designated Date		The date on which funds are transferred by the Escrow Collection Banks from the Escrow Account and the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, after filing of the Prospectus with the RoC.
Designated Intermediaries		Syndicate, sub-Syndicate/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorized to collect ASBA Forms from the ASBA Bidders, in relation to the Issue.
Designated Locations	RTA	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the websites of the Stock Exchange.
Designated Branches	SCSB	Such branches of the SCSBs which shall collect the ASBA Form, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> or at such other website as may be prescribed by SEBI from time to time.
Designated Exchange	Stock	National Stock Exchange of India Limited.
Draft Red Herring Prospectus/ DRHP		The Draft Red Herring prospectus dated March 28, 2018 issued in accordance with the SEBI ICDR Regulations which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Issue.
Eligible NRI		A Non Resident Indian in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom this Red Herring Prospectus will constitute an invitation to subscribe for the Equity Shares.
Eligible QFIs		QFIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom this Red Herring Prospectus constitutes an invitation to purchase the Equity Shares offered thereby and who have opened demat accounts with SEBI registered qualified depository participants.
Escrow Account		Account opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors will transfer money through direct credit/NEFT/RTGS in respect of the Bid Amount when submitting a Bid.
Escrow Agreement		Agreement dated September 12, 2018 between our Company, the Registrar to the Issue, Bankers to the Issue and the BRLM for the collection of Payment Amounts, if any, in respect of the ASBA Bidders on the terms and conditions thereof.
Escrow Collection Bank		A bank, which is a clearing member and registered with SEBI as a banker to an issue under the SEBI BTI Regulations and with whom the Escrow Account will be opened, in this case being Kotak Mahindra Bank Limited.
First Bidder		Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
Floor Price		The lower end of the Price Band, i.e. Rs. [●], subject to any revision thereto, at or above which the Issue Price and the Anchor Investor Issue Price will be finalized and below which no bids will be accepted.
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.
Hem/HSL	Hem Securities Limited.
Issue/Issue Size/Public Issue	The initial public offer of up to 10,000,000 Equity Shares of face value of ₹10 each for cash at a price of ₹ [●] each, aggregating up to ₹ [●] million.
Issue Agreement	The Agreement dated March 26, 2018 entered between our Company and BRLM pursuant to the ICDR Regulations, based on which certain arrangements are agreed to in relation to the Issue.
Issue Price	The final price at which Equity Shares will be Allotted to Bidders other than Anchor Investors. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Issue Price in terms of the Red Herring Prospectus  The Issue Price will be decided by our Company in consultation with the BRLM on the Pricing Date.
Maximum RII Allottees	Maximum number of RIIs who can be allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot.
Monitoring Agency	Yes Bank Limited.
Mutual Fund Portion	5% of the QIB Portion (excluding the Anchor Investor Portion), or [●] Equity Shares which shall be available for allocation to Mutual Funds only, subject to valid Bids being received at or above the Issue Price.
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
Net Proceeds	The Issue Proceeds received from the fresh Issue excluding Issue related expenses. For further information on the use of Issue Proceeds and Issue expenses, please refer to the section titled “Objects of the Issue” beginning on page 89 of this Red Herring Prospectus.
Non-Institutional Bidders	All Bidders that are not QIBs or Retail Individual Bidders, who have Bid for Equity Shares for an amount more than ₹ 200,000 (but not including NRIs other than Eligible NRIs).
Non-Institutional Portion	The portion of the Issue being not less than 15% of the Issue consisting of [●] Equity Shares which shall be available for allocation on a proportionate basis to Non-Institutional Bidders, subject to valid Bids being received at or above the Issue Price.
Non-Resident	A person resident outside India, as defined under FEMA and includes a non resident Indian, FIIs, FPIs and FVCIs.
NSE	National Stock Exchange of India Limited.
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 trust in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under Foreign Exchange Management (Deposit) Regulations, 2000. OCB are not allowed to invest in this Issue.
Payment Amount	In the case of QIBs and Non-Institutional Bidders, the Bid Amount, and in case of Retail Individual Bidders, the Bid Amount less the Discount if any.
Price Band	Price band of a minimum price of ₹ [●] per Equity Share (Floor Price) and the maximum price of ₹ [●] per Equity Share (Cap Price) including any revisions thereof The Price Band and the minimum Bid Lot size for the Issue will be decided by our Company in consultation with the BRLM and will be advertised, at least five Working Days prior to the Bid/Issue Opening Date, in all editions of the English national newspaper Business Standard, all editions of the Hindi national newspaper Business Standard and the Mumbai edition of the Marathi newspaper Navshakti (Marathi being the regional language of Maharashtra, where the Registered Office of our Company is situated), each with wide circulation.
Pricing Date	The date on which our Company in consultation with the BRLM, will finalise the Issue Price.



Prospectus	The prospectus to be filed with the RoC after the Pricing Date in accordance with Section 26 of the Companies Act, 2013, and the SEBI ICDR Regulations containing, <i>inter alia</i> , the Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information including any addendum or corrigendum thereto.
Public Issue Account	Bank account opened under Section 40(3) of the Companies Act, 2013 to receive monies from the Escrow Account and ASBA Accounts on the Designated Date.
Public Issue Account Bank	The bank(s) with which the Public Issue Account(s) shall be maintained, in this case being Kotak Mahindra Bank Limited.
QFIs or Qualified Foreign Investors	<p>Non-resident investors, other than SEBI registered FIIs or sub-accounts or SEBI registered FVCIs, who meet know your client's requirements prescribed by SEBI and are resident in a country which is (i) a member of Financial Action Task Force or a member of a group which is a member of Financial Action Task Force; and (ii) a signatory to the International Organization of Securities Commission's Multilateral Memorandum of Understanding or a signatory of a bilateral memorandum of understanding with SEBI.</p> <p>Provided that such non-resident investor shall not be resident in a country which is listed in the public statements issued by Financial Action Task Force from time to time on: (i) jurisdictions having a strategic anti-money laundering/combating the financing of terrorism deficiencies to which counter measures apply; and (ii) jurisdictions that have not made sufficient progress in addressing the deficiencies or have not committed to an action plan developed with the Financial Action Task Force to address the deficiencies.</p>
Qualified Institutional Buyers or QIBs or QIB Bidders	Qualified institutional buyers as defined under Regulation 2(1) (zd) of the SEBI ICDR Regulations.
QIB Bid/Issue Closing Date	In the event our Company, in consultation with the BRLM, decides to close Bidding by QIBs one Working Day prior to the Bid/Issue Closing Date, the date one Working Day prior to the Bid/Issue Closing Date; otherwise it shall be the same as the Bid/Issue Closing Date.
QIB Portion	The portion of the Issue (including the Anchor Investor Portion) being not more than 50% of the Issue consisting of [●] Equity Shares which shall be allocated to QIBs (including Anchor Investors), subject to valid Bids being received at or above the Issue Price.
Red Herring Prospectus or RHP	The Red Herring Prospectus issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Issue including any addendum or corrigendum thereto. The Red Herring Prospectus will be filed with the RoC at least three days before the Bid/Issue Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date, including any addenda or corrigenda thereto.
Refund Account	The account opened with the Refund Bank, from which refunds, if any, of the whole or part of the Bid Amount to the Anchor Investors shall be made.
Refund Bank	The bank with whom the Refund Account will be opened, in this case Kotak Mahindra Bank Limited.
Registered Broker	Stock Brokers registered with the stock exchanges having nation-wide terminal other than the BRLM and the Syndicate members and eligible to procure Bids in terms of Circular No. CIR/CFD/14/2012 dated October 4, 2012 issued by SEBI.
Registered Broker Centres	Broker centres as notified by the Stock Exchanges, where Bidders can submit the Bid-cum-Application Forms to a Registered Broker. The details of such broker centres are available on the websites of BSE and NSE at <a href="http://www.bseindia.com/">http://www.bseindia.com/</a> and <a href="http://www.nseindia.com/">http://www.nseindia.com/</a> , respectively.
Registrar Agreement	The agreement dated March 15, 2018 entered into between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Registrar and share	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at

Transfer Agents or RTAs	the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Registrar to the Issue /Registrar	Link Intime India Private Limited.
Retail Individual Investors/RIIs	Individual Bidders who have bid for the Equity Shares of a value of not more than ₹ 2,00,000 in any of the bidding options in the Issue (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs).
Retail Portion	The portion of the Issue being not less than 35% of the Issue consisting of [●] Equity Shares which shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations subject to valid Bids being received at or above the Issue Price.
Revision Form	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s). QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Investors can revise their Bids during the Bid/Issue Period and withdraw their Bids until Bid/Issue Closing Date.
Self Certified Syndicate Bank(s) or SCSB(s)	The banks registered with SEBI, offering services in relation to ASBA, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> and updated from time to time. For details of the Designated Branches with which ASBA Forms can be physically submitted, please refer to the above-mentioned link.
Syndicate	The BRLM and the Syndicate Members.
Specified Locations	Bidding centers where the Syndicate shall accept ASBA Forms from Bidders.
Syndicate Agreement	Agreement dated September 12, 2018 entered into among the BRLM, the Syndicate Members and our Company in relation to collection of Bid cum Application Forms by the Syndicate.
Syndicate ASBA	A Bid submitted by an ASBA Bidder through the members of the Syndicate or their respective sub-Syndicate members at the Syndicate ASBA Centres instead of the Designated Branches.
Syndicate ASBA Centres	The bidding centres of the members of the Syndicate or their respective sub Syndicate.
Syndicate Members	Intermediaries registered with SEBI who are permitted to carry out activities as an underwriter, namely, Hem Finlease Private Limited.
Systemically Important Non-Banking Financial Company	A non-banking financial company registered with the Reserve Bank of India and having a net worth of more than ₹5,000 million as per the last audited financial statement.
“Transaction Registration Slip” or “TRS”	The slip or document issued by any member of the Syndicate, the SCSBs or the Registered Brokers, as the case may be, to a Bidder upon demand as proof of registration of the Bid.
Underwriters	[●]
Underwriting Agreement	The Agreement dated [●] entered between the Underwriters, BRLM and our Company.
Willful Defaulter	Company or person categorized as a willful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India and includes any company whose director or promoter is categorized as such.
Working Day	Any day, other than second and fourth Saturday of the month or Sunday or a public holiday, on which commercial banks in India are open for business, provided however, for the purpose of the time period between the Issue Opening Date and listing of the Equity Shares on the Stock Exchanges, “Working Days” shall mean all trading days excluding Sundays and bank holidays in India in accordance with the SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016.

**Technical/Industry Related Terms/Abbreviations**

Term	Description
AT	Acceptance Test.
DIT	Duct integrity Test.
DOT	Department of Telecommunication.
FRT	Fiber rectification team.
GPS	Global Positioning System.
HDD	Horizontal directional drilling.
HOTO	Hand over Take over.
HSE	Health Safety and Environment.
IP	Infrastructure Provider.
IRU	Indefeasible right of use.
ISP	Internet Service Provider.
MSO	Multiple System Operator.
MTTR	Mean Time taken for repair.
NMT	Network maintenance team.
NMV	Network Maintenance Vehicle.
O & M	Operation & Maintenance.
OFC	Optic Fibre cable.
OTDR	Optical time-domain reflectometer.
ROW	Right of Way.
SCM	Supply Chain Management.
SLA	Service level agreement.
TRAI	Telecom Regulatory Authority of India.

**Conventional and General Terms or Abbreviations**

Term	Description
₹/Rs./Rupee/INR	Indian Rupee.
A/c	Account.
ACA	Associate Chartered Accountant.
ACS	Associate Company Secretary.
AGM	Annual General Meeting.
AIF	Alternative Investment Funds registered under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended.
AML	Anti Money Laundering.
AS / Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India.
AY	Assessment Year.
B. A	Bachelor of Arts.
B. Com	Bachelor of Commerce.
B. E	Bachelor of Engineering.
B. Sc	Bachelor of Science.
B. Tech	Bachelor of Technology.
BG/LC	Bank Guarantee / Letter of Credit.
BIFR	Board for Industrial and Financial Reconstruction.
Bn	Billion.
BSE	BSE Limited (formerly known as the Bombay Stock Exchange Limited).
BSE SENSEX	Sensex in an index; market indicator of the position of stock that is listed in the BSE.
CA	Chartered Accountant.
CAGR	Compounded Annual Growth Rate.
Category I foreign	FPIs who are registered as “Category I foreign portfolio investors” under the SEBI FPI

portfolio Investors	Regulations.
Category II foreign portfolio Investors	FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations.
Category III foreign portfolio investors	FPIs who are registered as “Category III foreign portfolio investors” under the SEBI FPI Regulations.
CB	Controlling Branch.
CC	Cash Credit.
CDSL	Central Depository Services (India) Limited.
CENVAT	Central Value Added Tax.
CFO	Chief Financial Officer.
CIN	Corporate Identification Number.
CIT	Commissioner of Income Tax.
Companies Act	Companies Act, 1956 and Companies Act, 2013, as applicable.
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have an effect upon notification of the sections of the Companies Act, 2013) along with the relevant rules made thereunder.
Companies Act, 2013	Companies Act, 2013, to the extent in force pursuant to the notification of sections by the Ministry of Corporate Affairs, Government of India as of the date of this Red Herring Prospectus, along with the relevant rules made thereunder.
CS	Company Secretary.
CS & CO	Company Secretary & Compliance Officer.
CST	Central Sales Tax.
CWA/ICWA	Cost and Works Accountant.
DIN	Director Identification Number.
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce, Government of India.
DP	Depository Participant.
DP ID	Depository Participant’s Identification Number.
EBITDA	Earnings Before Interest, Taxes, Depreciation & Amortization.
ECS	Electronic Clearing System.
EGM /EOGM	Extra-ordinary General Meeting.
EPS	Earnings Per Share.
ESIC	Employee’s State Insurance Corporation.
ESOP	Employee Stock Option Plan.
EXIM/ EXIM Policy	Export – Import Policy.
FDI	Foreign Direct Investment.
FEMA	Foreign Exchange Management Act, 1999 as amended from time to time, and the regulations framed there under.
FIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India.
FIPB	Foreign Investment Promotion Board.
FPIs	(Foreign Portfolio Investors) Regulations, 2014, as amended from time to time registered with SEBI under applicable laws in India.
FV	Face Value.
FVCI	Foreign Venture Capital Investors registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
FY / Fiscal/Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated.
GAAP	Generally Accepted Accounting Principles of India.
GDC&A	Government Diploma In Co-operation And Accountancy Board, Maharashtra State.
GDP	Gross Domestic Product.
Gol/Government	Government of India.

GST	Goods and Service Tax.
GVA	Gross value Added.
HNI	High Net Worth Individual.
HUF	Hindu Undivided Family.
I.T. Act	Income Tax Act, 1961, as amended from time to time.
ICAI	The Institute of Chartered Accountants of India.
ICSI	The Institute of Company Secretaries of India.
ICWAI	The Institute of Cost Accountants of India.
Ind AS	Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, as notified under Companies (Indian Accounting Standard) Rules, 2015.
IFRS	International Financial Reporting Standards.
IIP	Index of Industrial Production.
IMF	International Monetary Fund.
IPO	Initial Public Offer.
IRDA	Insurance Regulatory and Development Authority.
IT Authorities	Income Tax Authorities.
IT Rules	Income Tax Rules, 1962, as amended, except as stated otherwise.
M. A	Master of Arts.
M. B. A	Master of Business Administration.
M. Com	Master of Commerce.
M. E	Master of Engineering.
M. Tech	Masters of Technology.
MAPIN	Market Participants and Investors Database.
MAT	Minimum Alternate Tax.
MD	Managing Director.
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992.
Mn	Million.
MoA	Memorandum of Association.
MoF	Ministry of Finance, Government of India.
M-o-M	Month-On-Month.
MOU	Memorandum of Understanding.
MSMEs	Micro, Small and Medium Enterprises.
NA	Not Applicable.
NAV	Net Asset Value.
NECS	National Electronic Clearing System.
NEFT	National Electronic Funds Transfer.
Networth	The aggregate of paid up Share Capital and Share Premium account and Reserves and Surplus (Excluding revaluation reserves) as reduced by aggregate of Miscellaneous Expenditure (to the extent not written off) and debit balance of Profit & Loss Account.
NOC	No Objection Certificate.
NPV	Net Present Value.
NRE Account	Non Resident External Account.
NRIs	Non Resident Indians.
NRO Account	Non Resident Ordinary Account.
NSDL	National Securities Depository Limited.
NSE	National Stock Exchange of India Limited.
OCB	Overseas Corporate Bodies.
P.A.	Per Annum.
P/E Ratio	Price/Earnings Ratio.
PAC	Persons Acting in Concert.
PAN	Permanent Account Number.
PAT	Profit After Tax.

PBT	Profit Before Tax.
PF	Provident Fund.
PG	Post Graduate.
POA	Power of Attorney.
PSU	Public Sector Undertaking(s).
R&D	Research & Development.
RBI	The Reserve Bank of India.
Registration Act	Registration Act, 1908.
ROE	Return on Equity.
RONW	Return on Net Worth.
ROW	Right of Way.
RTGS	Real Time Gross Settlement.
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time.
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time.
SCSB	Self Certified Syndicate Banks.
SEBI	Securities and Exchange Board of India.
SEBI Act	Securities and Exchange Board of India Act, 1992.
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.
SEBI BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994.
SEBI Depository Regulations	Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996.
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
SEBI Mutual Fund Regulations	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
SEBI Portfolio Manager Regulations	Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993.
SEBI Stock Broker Regulations	Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) Regulations, 1992.
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996.
Securities Act	U.S. Securities Act, 1933.
SICA	The Sick Industrial Companies (Special Provisions) Act, 1985.
STT	Securities Transaction Tax.
TAN	Tax Deduction Account Number.
TIN	Taxpayers Identification Number.
TRS	Transaction Registration Slip.
US/United States	United States of America.
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America.
USD/ US\$/ \$	United States Dollar, the official currency of the United States of America.
VAT	Value Added Tax.
VCF / Venture Capital Fund	Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
WDV	Written Down Value.
w.e.f	With effect from.
WTD	Whole Time Director.



YoY	Year over Year.
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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, the SEBI Act, the SCRA, the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing, defined terms in “*Statement of Tax Benefits*”, “*Financial Statements*”, “*Regulations and Policies*”, “*Issue Procedure*”, “*Industry Overview*” and “*Main Provisions of Articles of Association*” beginning on pages 98, 159, 125, 431, 101 and 478 respectively of this Red Herring Prospectus, shall have the meaning given to such terms in such sections.

## **CERTAIN CONVENTIONS, PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY OF PRESENTATION**

### **Certain Conventions**

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

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

### **Financial Data**

Unless stated otherwise, the financial data in this Red Herring Prospectus is derived from the Restated Standalone Financial Statements and the Restated Consolidated Financial Statements of our Company which comprises of the restated summary statement of assets and liabilities, the restated summary statement of profit and loss statement and the restated summary statement of cash flows as at and for the fiscal ended on March 31, 2018, 2017, 2016, 2015 and 2014, together with the annexures and notes thereto, prepared in accordance with the Companies Act, 2013 read with rule 4 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and restated in accordance with the SEBI ICDR Regulations.

In this Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and accordingly there may be consequential changes in this Red Herring Prospectus on account of rounding off adjustments.

Our Company’s Financial Year commences on April 1 and ends on March 31 of the next year; accordingly, all references to a particular Financial Year, unless stated otherwise, are to the 12 months’ period ended on March 31 of that year.

There are significant differences between Ind AS, Indian GAAP, U.S. GAAP and IFRS; accordingly, the degree to which the Ind AS and Indian GAAP financial statements included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies, Indian GAAP, Ind AS, the Companies Act and the SEBI Regulations. The reconciliation of the financial information to IFRS or U.S. GAAP financial information has not been provided in this Red Herring Prospectus. Any reliance by persons not familiar with Indian accounting policies, Indian GAAP, Ind AS, the Companies Act and the SEBI Regulations on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited. We have not attempted to explain these 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 financial data included in this Red Herring Prospectus.

Unless the context otherwise indicates, any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*” beginning on pages 18, 113 and 371 of this Red Herring Prospectus respectively, and elsewhere in this Red Herring Prospectus have been calculated on the basis of our Restated Financial Statements prepared in accordance with the Companies Act, Ind AS and Indian GAAP and restated in accordance with the SEBI ICDR Regulations.

### **Currency and Units of Presentation**

All references to:

- “Rupees” or “₹” or “INR” or “Rs.” are to the Indian Rupee, the official currency of the Republic of India.
- “US\$” or “USD” are to the United States Dollar, the official currency of the United States.

Our Company has presented certain numerical information in this Red Herring Prospectus in “million” and “billion” units, as applicable. One million represents 1,000,000 one billion represents 1,000,000,000 and one crore represents 10,000,000.

### Exchange Rates

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

### Industry and Market Data

Unless stated otherwise, industry and market data used throughout this Red Herring Prospectus has been obtained and derived from an industry report entitled “Research on Telecom Sector and Allied Sector by CARE Advisory” prepared by CARE Advisory pursuant to an engagement with the Company. 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. Accordingly, no investment decision should be made on the basis of this information. Although, we believe that the industry and market data used in this Red Herring Prospectus is reliable, neither we nor the BRLM nor any of their respective affiliates or advisors have prepared or verified it independently. The extent to which the market and industry data used in this Red Herring Prospectus is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data.

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors including those discussed in section titled “Risk Factors” on page 33 of this Red Herring Prospectus. Accordingly, investment decisions should not be based solely on such information.

Further, in this regard, CARE Advisory has issued the following disclaimer:

*This report is prepared by CARE Advisory. CARE Advisory has taken utmost care to ensure accuracy and objectivity while developing this report based on information available in public domain. However, neither the accuracy nor completeness of information contained in this report is guaranteed. CARE Advisory operates independently of ratings division and this report does not contain any confidential information obtained by ratings division, which they may have obtained in the regular course of operations. The opinion expressed in this report cannot be compared to the rating assigned to the company within this industry by the ratings division. The opinion expressed is also not a recommendation to buy, sell or hold an instrument.*

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In accordance with the SEBI Regulations, the section entitled “Basis for Issue Price” beginning on page 95 includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, nor the BRLM have independently verified such information.

Additionally, certain industry related information in the chapters titled “Summary of Industry”, “Summary of Business”, “Industry Overview”, “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operation” beginning on pages 39, 44, 101, 113 & 371 respectively, of this Red Herring Prospectus, has been derived from an industry report titled “Research on Telecom Sector and Allied Sector by CARE Advisory”.

## FORWARD-LOOKING STATEMENTS

This Red Herring Prospectus contains certain “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “project”, “will”, “will continue”, “will pursue” or other words or phrases of similar import. Similarly, statements that describe our Company’s strategies, objectives, plans or goals are also forward-looking statements.

All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with the expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company has business and its ability to respond to them, its ability to successfully implement its strategy, its growth and expansion, technological changes, its exposure to market risks, general economic and political conditions in India and globally which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in laws, regulations and taxes and changes in competition in its industry. Important factors that could cause actual results to differ materially from our Company’s expectations include, but are not limited to, the following:

- Fluctuations in our results of operations on account of adverse weather conditions and other factors beyond our control;
- Dependence on limited number of large customers for a significant portion of our revenue who may exercise substantial negotiating leverage with us;
- Inability to keep abreast with the rapid technological changes;
- Reliance on limited number of third party suppliers for our key components and services;
- Inability to successfully execute our growth strategies;
- Any adverse impact on the telecommunications networking industry where most of our customers operate;
- Inability to collect our dues and receivables from, or invoice our unbilled services to, our customers, our results of operations;
- Inability to effectively compete in the highly competitive market;
- Inability to attract or retain key personnel;
- Any adverse outcome in the legal proceedings in which we are involved;
- Inability to obtain, maintain or renew requisite statutory and regulatory permits and approvals or non-compliance with and changes in, safety, health and environmental laws and other applicable regulations, may adversely affect our business, financial condition, results of operations and prospects;
- Any adverse change in laws, rules and regulations and legal uncertainties; and
- General economic and business conditions in India and other countries.

For further discussion of factors that could cause the actual results to differ from the expectations, see “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 18, 113 and 371 respectively of this Red Herring Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

We cannot assure the bidders that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Forward-looking statements reflect the current views of our Company as of the date of this Red Herring Prospectus and are not a guarantee of future performance. These statements are based on the management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Directors, the BRLM nor any of their respective affiliates have any obligation to update or otherwise

revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with regulatory requirements, our Company and the BRLM will ensure that investors in India are informed of material developments from the date of the Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges. Further, in accordance with Regulation 51A of the SEBI Regulations, the Company may be required to undertake an annual updation of the disclosures made in this Red Herring Prospectus/ Prospectus and make it publicly accessible in the manner specified by SEBI.

## SECTION II - RISK FACTORS

*An investment in equity shares involves a high degree of risk. The risks and uncertainties described below together with the other information contained in this Red Herring Prospectus should be carefully considered before making an investment decision in our Equity Shares. The risks described below are relevant to the country, the industry in which our Company operates our Company and the Equity Shares. Any potential investor in, and subscriber of, the Equity Shares should also pay particular attention to the fact that we are governed in India by a legal and regulatory environment in which some material respects may be different from that which prevails in other countries. The risks and uncertainties described in this section are not the only risks and uncertainties we currently face. Additional risks, not presently known to our Company or that we currently deem immaterial may also impair our Company's business operations. You should carefully consider all the information in this Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. You 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" beginning on pages 113 and 371 of this Red Herring Prospectus, respectively, as well as the other information contained in this Red Herring Prospectus. If anyone or some combination of the following risks were to occur, our business, results of operations and financial condition could suffer, and the price of the Equity Shares and the value of your investment in the Equity Shares could decline. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment, which may differ in certain respects from that of other countries. Prior to making an investment decision, prospective investors and purchasers should carefully consider all of the information contained in this Red Herring 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 implications of any of the risks mentioned herein. Unless otherwise stated, the financial information of our Company used in this section is derived from our restated financial statements for the Fiscal year 2018, 2017 and 2016 prepared in accordance with Ind AS and for the Fiscal year 2015 and 2014 prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI ICDR Regulations.*

*This Red Herring Prospectus also contains forward-looking statements that involve risk and uncertainties. Our Company's actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Red Herring Prospectus. See "Forward-Looking Statements" beginning on page 16 of this Red Herring Prospectus. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implication of any of the risks described in this section. Unless otherwise stated or the context otherwise requires, the financial information used in this section is derived from our Restated Consolidated Financial Information.*

### INTERNAL RISK FACTORS

#### **1. Our Company is party to certain legal proceedings. Any adverse decision in such proceedings may have a material adverse effect on our business, results of operations and financial condition**

Our Company is party to certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts, tribunals and forums.

Mentioned below are the details of the proceedings involving our Company as on the date of this Red Herring Prospectus along with the amount involved, to the extent quantifiable, based on the materiality policy for litigations, as approved by our Company in its Board meeting held on February 21, 2018.

Sr. No	Nature of Cases	Number of Cases	Total Amount involved (In ₹ Million)^
<b>I. Litigations filed against our Company<sup>(1)</sup></b>			
1.	Criminal Matters	3	Unascertainable
2.	Civil Matters	2	7.31
3.	Actions by Statutory/Regulatory Authorities	2	0.88
4.	Other Pending Matters	1	0.15



II. Litigations filed by our Company <sup>(1)</sup>			
1.	Civil Matters	1	Unascertainable
2.	Criminal Matters	1	1.1

<sup>(1)</sup>The amounts mentioned above may be subject to additional interest rates/ penalties being levied by the concerned authorities for delay in making payment or otherwise. Amount of interest/penalty that may be levied is unascertainable as on the date of this Red Herring Prospectus.

There can be no assurance that these litigations will be decided in favour of our Company or that no further liability will arise out of these proceedings. Further, such legal proceedings could divert the time and attention of our management and Promoters and waste our corporate resources and we may incur significant expenses in such proceedings and may have to make provisions in our financial statements, which could increase our expenses and liabilities. If such claims are determined against our Company, there could be 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.

Further, in addition to the disclosures contained above, fines have been imposed on our Company for certain offences under labour laws. For further details, please see the chapter titled “Outstanding Litigation and Material Developments” beginning on page 394 of this Red Herring Prospectus.

**2. Our results of operations are subject to significant fluctuations and adverse weather conditions. Any adverse condition may hamper our ability to achieve or sustain profitability in the future, which may materially and adversely affect our business and prospects.**

We are a telecom infrastructure company, focused on laying duct and optic fibre cables for telecommunication companies in India along with operation and maintenance of such cables. Our results of operation may fluctuate due to a variety of factors beyond our control, including:

- loss of key customers;
- fluctuations in demand and sales volume;
- reduction in a customer's budget;
- increases in operational costs;
- readiness of sites for installation and cable laying;
- delays in our procurement of Right-of-Way clearances or other approvals;
- delays in payment by customers;
- delays in delivery by third parties;
- Adverse weather condition; and
- General economic conditions.

Our results of operations are also subject to adverse weather condition may affect the operation such as digging and laying of ducts and cable. Further, as our expense levels depend on our anticipated future revenues and given the fixed nature of some of our operating expenses, any substantial reduction of revenue may adversely impact our profitability.

**3. A significant portion of our revenue is generated from our limited number of large customers and if we are unable to maintain our relationship with such customers, our business, results of operations and financial condition will be materially and adversely affected.**

For Fiscal Years 2018, 2017 and 2016, our gross revenue from the sale of services to our top five customers was Rs. 2640.44 million, Rs 1335.49 million and Rs. 1002.89 million respectively which accounted for 87.38%, 78.91% and 82.03% respectively of our consolidated revenue from operations (gross).

We expect that in the future also few of our customers will continue to comprise a large percentage of our revenue. Consequently, if we are unable to expand our volumes with our existing customers, maintain our relationship with our key customers or diversify our customer base, we may experience material fluctuations or decline in our revenue and reduction in our operating margins, as a result of which our financial condition and results of operations could

be materially and adversely affected. The rate and price at which the projects are undertaken or the network is leased are made against periodic purchase orders. In the event of a cancellation or reduction of any customer purchase order, we may lose revenues and end up with cost incurred by us on labour, material and payments to be made to sub-contractors, which could adversely impact our business, financial condition and results of operations. Furthermore, the work is required to be done in strict compliance with the purchase order in case of any deviation from the purchase order we may face reduction or cancellation of order from the customers.

Many of our key customers are large telecom operators that have substantial purchasing power and leverage in negotiating contractual arrangements with us. These customers have and may continue to seek advantageous pricing and other commercial terms. If we are unable to address these pricing pressures or offset the increase in our average costs due to a reduction in pricing with increased sales volumes and reduced operational costs, or if we fail to provide the network with the desired quality work on a timely basis, our operating results would be negatively affected.

***4. The market in which we operate is highly competitive, and if we are unable to compete effectively, our business, prospects and results of operations may be materially and adversely affected.***

The market in which we operate is highly competitive, rapidly evolving and is characterised by frequent introductions of new and improved solutions, applications and technologies. We expect competition to persist and intensify in the future as the market for networking may grow and new and existing competitors devote considerable resources. Some of our competitors are small competitors providing the duct and fibre laying work as un-organized sector.

Our competitors may have significantly greater financial, technical, marketing, governmental support and other resources than we do and may be able to devote greater resources towards work. In addition, many of our competitors have more extensive customer relationships than we do and therefore, our competitors may be in a stronger position to respond quickly to new changes and adopt with them more effectively. As a result, we may experience price reductions for our services, order cancellations and increased expenses. Accordingly, business, prospects and results of operations may be materially and adversely affected.

***5. Our inability to attract or retain key personnel may have a material and adverse effect on our business.***

Our success depends to a significant degree upon the continued contributions of our Key Management Personnel, as well as our employees. We have not entered into any long-term employment contracts with our employees and key personnel. Because of the complex nature of the engineering work we may be required to hire and retain trained personnel to ensure that the work is done as desired by the customer through the purchase order and within the necessary provided timeframe.

We believe our future success will depend in large part upon our ability to identify, attract and retain highly skilled managerial, engineering, finance administration and human resources personnel. Competition for these individuals is intense in our industry. We may not succeed in identifying, attracting, training and retaining appropriate personnel. Further, our competitors and other entities may in the future attempt to recruit our employees. The loss of the services of any of our key personnel and our inability to identify, attract, train or retain such qualified personnel in the future or delays in hiring qualified personnel could make it difficult for us to manage our business and meet key objectives.

***6. If we are unable to successfully execute our growth strategies, our business, prospects and results of operations could be materially and adversely affected.***

Our growth depends on the continued growth of the telecommunications industry, and to a large extent, the optical networking segment, and any adverse developments in the telecommunications industry and the optical networking segment could materially and adversely affect our growth prospects. Our growth is also dependent on our ability to expand our market share and any inability to do so may adversely affect our growth prospects. Our growth strategies could place significant demand on our management and our administrative, operational and financial infrastructure.

We could also encounter difficulties and delays in executing our growth strategies due to a number of factors, including, without limitation, delays in implementation, lack of appropriate infrastructure availability, unavailability of human and capital resources, or any other risks that we may or may not have foreseen. Our management may also change its view on the desirability of current strategies and any change in our strategies could put significant strain on our resources. Further, we may be unable to achieve any synergies or successfully integrate our plans and strategies.

Additionally, expansion into new geographic regions may subject us to various challenges, including those relating to our lack of familiarity with the social, political, economic and cultural conditions of these new regions, language barriers, difficulties in staffing and managing such operations and the lack of support from authorities and reputation in such regions. We may also encounter other additional anticipated risks and significant competition in such markets. If we are unable to successfully execute our growth strategies, our business, prospects and results of operations could be materially and adversely affected.

***7. Any delay in the collection of our dues and receivables from our customers may have a material and adverse effect on our results of operations and cash flows.***

Our business depends on our ability to successfully obtain payment from our customers of the amounts they owe us for work performed. As of Fiscal Years 2016, 2017 and 2018 our average debtor cycle was approximately 92 days, 123 days and 107 days, respectively. As at March 31, 2017 and March 31, 2018, our trade receivables amounted to ₹ 569.56 million and ₹ 880.98 million, representing 33.66% and 29.15% of our gross consolidated revenue from operations for the respective periods. Further, Our top five debtors for the fiscal year 2016, 2017 and 2018 represents 82.52%, 76.20% and 87.30% respectively of our total outstanding debt. We cannot assure you that we will be able to accurately assess the creditworthiness of our customers and will be able to collect the dues in time.

Macroeconomic conditions could also result in financial difficulties for our customers, including limited access to the credit markets, insolvency or bankruptcy. Such conditions could cause customers to delay payment, request modifications of their payment terms, or default on their payment obligations to us, cause us to enter into litigation for non-payment, all of which could increase our receivables. In any such case, we might experience delays in the collection of, or be unable to collect, our customer balances and if this occurs, our results of operations and cashflows could be adversely affected. In addition, if we experience delays in billing and collection for our services, our revenue and cash flows could be adversely affected.

***8. Our business and our financial condition would be materially and adversely affected if we fail to obtain new Vendor projects or identify new routes to develop.***

We are a telecom infrastructure company with a focus on laying duct and optic fibre for Telecommunication companies and operation and maintenance of the cables. Our business model involves undertaking vendor projects where we undertake the cable and duct laying work for the telecom operators. Vendor projects are typically awarded based on the quality of work performed, timely execution and price competitiveness. We cannot assure you that we would quote the most competitive price or the price quote by us would be accepted.

Additionally, we also undertake the work of laying of duct and cable under our own account as per the IP-1 license which involve identification of the route, securing the permissions and development of the network. There can be no assurance that we will be able to identify the most feasible route for the network, further there is also no assurance that for the route identified and developed by us, we will be able to lease the same to the telecom vendor within a reasonable time, or at all. In case, we are not able to secure new vendor projects or fail to identify the route for development of the fibre network or vendor for the developed network our business and results of operations will be materially and adversely affected.

***9. Majority of our customers operate in the telecommunications industry. Factors that adversely affect this industry or spending by companies within this industry may adversely affect our business.***

Major portion of our revenues are derived from the customers that operate in the telecommunications industry. Telecom industry is very dynamic and changes occur drastically. Any significant decrease in spending by clients in this industry or other industries from which we derive significant revenues in the future may reduce the demand for

our services. Further, any significant decrease in the growth of the telecommunications networking industry, or significant consolidation in this industry, or any decrease in growth or consolidation in other industry segments in which we operate, may reduce the demand for our services. In addition, as fewer customers gain control of the telecommunications networking industry as a result of consolidation, pricing pressure is likely to increase and a change of ownership of our customers resulting from such consolidation could also result in the loss of our current customers if the new owners select another networking vendor over us.

***10. Our Promoter Group Entities are engaged in the line of business similar to our Company. There are no non - compete agreements between our Company and Promoter Group Entities. We cannot assure that our Promoter will not favour the interests of such entities over our interest or that the said entities will not expand, which may increase our competition and may adversely affect business operations and financial condition of our Company.***

Our Promoter Group Entity namely, Dataexpress Private Limited and Delix Net Solutions Private Limited are engaged in the similar line of business as of our Company. Further, we have not entered into any non compete agreement with any of our said entities. We cannot assure you that our Promoter who has common interest in said entities will not favour the interest of the said entities. Any related party transaction which our Company may enter into future, will be subject to board or shareholder approval as necessary under the Companies Act, 2013. As a result, conflicts of interests may arise in allocating business opportunities amongst our Company and our Promoter Group entities in circumstances where our respective interests diverge. In cases of conflict, our Promoters may favour other entities in which our Promoters have interest. There can be no assurance that our Promoters or our Promoter Group entities or members of the Promoter Group will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours. Any such present and future conflicts could have a material adverse effect on our reputation, business, results of operations and financial condition which may adversely affect our profitability and results of operations. For further details, please refer to Chapter titled “Group Companies” on page 153 of this Red Herring Prospectus.

***11. Increase in wages payable to the employees and increases in operating costs in India may prevent us from sustaining our competitive advantage and may reduce our profit margins.***

Wage costs as well as operating costs, in India have historically been significantly lower than wage costs and operating costs in the United States, Europe and other developed economies and these reduced costs have been one of the sources of our competitive strengths. However, wage and operating expense increases in India may prevent us from sustaining our competitive advantage and may negatively affect our profit margins. Wages in India are increasing at a faster rate than in the developed economies, which could result in increased employee benefit expenses. We may need to continue to increase the levels of our employee compensation to remain competitive and manage attrition. Additionally, the cost of other utilities and operating expenses is also increasing as India continues to grow. Compensation increases manifest a hike in operational costs which may result in a material adverse effect on our business and financial condition and result of operations.

***12. The conditions and restrictions imposed by our financing arrangements may limit our ability to grow our business and adversely impact our business.***

Our Company has procured financial and other credit facilities (fund based and non fund based) from Kotak Mahindra Bank and Yes bank Limited. The financing agreements governing certain of our debt obligations include terms that require us to comply with certain reporting requirements and restrict our ability to make capital expenditures, investments, declare dividends, enter into any scheme or merger, amalgamation, compromise or reconstruction, make any changes to our ownership or control, effect any material change in the management of our business, incur further indebtedness and incur liens on, or dispose of, our assets, among others. Failure to comply with the terms of our financing agreements or obtain waivers for any such non - compliances could result in an acceleration of the relevant debt, as well as a cross-acceleration of other debt and payment of penal interest which could adversely affect our liquidity, restrict our expansion plans and materially and adversely affect our business, cash flows and operations.

Further, with respect to our secured borrowings, in the event that a lender seeks to invoke the security, our business, cash flows and results of operations may be materially and adversely affected. For further details on our borrowings, see “*Financial Indebtedness*” on page 368 of this Red Herring Prospectus.

Our level of indebtedness could have other important consequences, including:

- requiring us to dedicate a substantial portion of our operating cash flows to making periodic principal and interest payments on our debt, thereby limiting our ability to take advantage of significant business opportunities and placing us at a competitive disadvantage compared to other optical networking product companies that have less debt;
- making it more difficult for us to satisfy our obligations with respect to our debt;
- increasing our vulnerability to general adverse economic and industry conditions;
- restricting our ability to refinance our debt on commercially reasonable terms, or at all;
- limiting our flexibility in planning for, or reacting to, changes in our businesses;
- limiting our ability to borrow additional funds or to sell or transfer assets in order to fund future working capital, capital expenditures, any future acquisitions, research and development and technology processes and other general business requirements; and
- adversely affecting our business, results of operations and financial condition, if we are unable to service our debt or comply with the various covenants.

***13. Some of our Directors and certain Key Management Personnel hold Equity Shares in our Company and are therefore interested in the Company's performance in addition to their normal remuneration or benefits and reimbursement of expenses incurred.***

Some of our Directors namely Mr. Dinesh Kollaiah Kargal and Mrs. Shashikala Dinesh Kargal are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses payable to them as KMPs of the Company, to the extent of their shareholding. For further details, see “*Our Management – Compensation of Managing Directors/Whole Time Directors*” and “*Capital Structure– Shareholding of Key Management personnel*” on pages 139 and 87 respectively of this Red Herring Prospectus. We cannot assure you that our Directors and our Key Management Personnel will exercise their rights as shareholders to the benefit and best interest of our Company.

***14. We require certain approvals and licenses in the ordinary course of business and are required to comply with certain rules and regulations to operate our business, and the failure to obtain, retain and renew such approvals and licenses or comply with such rules and regulations, and the failure to obtain or retain them in a timely manner or at all may adversely affect our operations.***

Our business involves providing of passive infrastructure services such as laying of the duct and optic fibre cables, construction of basic transmission and telecom utilities, dark fiber leasing, optical fiber network construction, maintenance of duct and optic fibre and optical fibre project turnkey services to various telecom network operators & broad band service operators. We require various regulatory and procedural approvals/permissions/consents including but not limited to obtaining right of way permissions from local or municipal authorities etc.

Our Company has either received, applied for or is in the process of application in respect of such permits, licenses and approvals. Many of these approvals are granted for fixed periods of time and need renewal from time to time. Non-renewal of the said permits and licenses would adversely affect our Company's operations, thereby having a material adverse effect on our business, results of operations and financial condition. There can be no assurance that the relevant authorities will issue any of such permits or approvals in the time-frame anticipated by us or at all.

Further, some of our permits, licenses and approvals are subject to several conditions and we cannot provide any assurance that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, which may lead to the cancellation, revocation or suspension of relevant permits, licenses or approvals. Any failure by us to apply in time, to renew, maintain or obtain the required permits, licenses or approvals, or the cancellation, suspension or revocation of any of the permits, licenses or approvals may result in the interruption of our operations and may have a material adverse effect on the business.



We have not applied for registration under various shops and establishments legislations, Contract Labour Regulation and Abolition Act, 1970, and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. If we fail to comply with all applicable regulations or if the regulations governing our business or their implementation change, we may incur increased costs, be subject to penalties or suffer a disruption in our business activities, any of which could adversely affect our results of operations. For further details, please see section titled “*Government and Other Approvals-Approvals not applied by our Company*” on page 407 of this Red Herring Prospectus.

***15. We have substantial capital expenditure and working capital requirements and may require additional financing to meet those requirements, which could have an adverse effect on our results of operations and financial condition.***

Our business require substantial amount of capital expenditure and working capital for carrying our operations. Our total borrowing including both short term and long term finance for the Fiscals 2018 and 2017 was Rs. 282.73 million and Rs. 138.78 million respectively. The actual amount and timing of our future capital requirements may differ from estimates as a result of, among other factors, unforeseen delays or cost overruns, unanticipated expenses, regulatory changes, economic conditions, weather related delays, technological upgradation and additional market developments. Our sources of additional financing, where required to meet our capital expenditure plans, may include the incurrence of debt or the issue of equity or debt securities or a combination of both. If we decide to raise additional funds through the incurrence of debt, our interest and debt repayment obligations will increase, and could have a significant effect on our profitability and cash flows and we may be subject to additional covenants, which could limit our ability to access cash flows from operations. Any issuance of equity, on the other hand, would result in a dilution of your shareholding. Further, a significant amount of our working capital is required to finance the vendor projects we undertake. Our working capital requirements may increase due to delay in payments or longer payment cycles. These factors may result, or have resulted, in increases in the amount of our receivables and short-term borrowings. Continued increases in our working capital requirements may have an adverse effect on our financial condition and results of operations.

***16. We may require additional funding to finance our operations, which may not be available on terms acceptable to us, or at all, and if we are able to raise funds, the value of your investment in us may be negatively impacted.***

We may require additional funding to finance our operations and growth strategies. Sources of additional financing may include commercial bank borrowings and the sale of equity or debt securities. There can be no assurance that we will be able to obtain any additional financing on terms acceptable to us or at all. The cost of raising capital is high and any additional funding we obtain may strain our cash flows and financial condition. Our ability to raise additional financing in the future is subject to a variety of uncertainties, including but not limited to:

- Our future financial condition, results of operations and cash flows;
- General market conditions for debt financing and capital raising activities; and
- Economic, political and other conditions in India.

If we raise additional funds through equity or equity-linked financing, your equity interest in our Company may be diluted. Alternatively, if we raise additional funds by incurring debt obligations, we may be subject to various covenants under the relevant debt instruments that may, among other things, restrict our ability to pay dividends or obtain additional financing. Servicing such debt obligations could also be burdensome to our operations. If we fail to service such debt obligations or are unable to comply with any of the covenants thereunder, we could be in default under such debt obligations and our liquidity and financial condition could be materially and adversely affected.

***17. We have a number of contingent liabilities and our profitability could be adversely affected if any of these contingent liabilities materialises.***

Our contingent liabilities as at March 31, 2018 amounted to ₹ 374.21 million towards Guarantees & LC excluding financial guarantees. If any of these contingent liabilities materializes, our results of operations and financial condition may be adversely affected.



For further details on our contingent liabilities, see “*Financial Statements – Note 40 - Restated Consolidated Statement of Contingent Liabilities and Commitments*” on page 212 respectively of this Red Herring Prospectus.

**18. *We do not own our Registered and Corporate Office and other premises from which we operate.***

Our Registered and corporate Office is situated at Navi Mumbai, Maharashtra, which is owned by our Promoter Mr. Dinesh Kollaiah Kargal and have been taken on lease for a period of sixty months w.e.f. April 01, 2015. We occupy our Registered and Corporate Office and other premises from which we operate on a leasehold basis or on the basis of leave and license arrangements. We cannot assure you that we will be able to renew our lease or leave and license agreements on commercially acceptable terms or at all. In the event that we are required to vacate our current premises, we would be required to make alternative arrangements for new premises and other infrastructure and we cannot assure that the new arrangements will be on commercially acceptable terms. For further details on our properties, please refer “*Our Business – Property*” on page 124 of this Red Herring Prospectus.

Further, we also share some portion of the said office of our company with our Subsidiary i.e. Dataexpress Private Limited.

**19. *Our insurance coverage may not be adequate and this may have an adverse effect on our business and revenues.***

Our existing insurance may not be sufficient to cover all damages, whether foreseeable or not. Further our insurance policies are also subject to certain deductibles, exclusions and limits on coverage. We cannot assure you that the terms of our insurance policies will be adequate to cover any damage or loss suffered by us or that such coverage will continue to be available on reasonable terms or will be available in sufficient amounts to cover one or more large claims, or that the insurer will not disclaim coverage as to any future claim. A successful assertion of one or more large claims against us that exceeds our available insurance coverage or changes in our insurance policies, including premium increases or the imposition of a larger deductible or co-insurance requirement, could adversely affect our business, financial condition and results of operations and could cause the price of our Equity Shares to decline.

**20. *We are subject to strict adherence to the purchase order terms and any failure by us to comply with the standards may lead to cancellation of existing and future orders which could adversely affect our business, financial condition and results of operations.***

We are subject to strict adherence to the terms and conditions of the purchase orders imposed by our customers, which if not complied due to any reason could have an adverse effect on our business, financial condition and results of operations. Any failure by us to achieve or maintain the compliance with these requirements or quality standards may disrupt our ability to meet the expectations of the customers.

The purchase orders contain specific condition regarding the width, type of the duct and the fibre to be used and they also contain conditions with respect to the suppliers from whom the material needs to be procured. Despite our quality control and quality assurance efforts, problems may occur, or may be alleged, in or resulting from the conditions which may not be under our control. Whether or not we are responsible, any such problems may lead to quality of the work being affected or may result in increased costs to us, delayed delivery to customers, and/or reduced or cancelled customer orders and a loss of reputation. Any such event may have an adverse effect on our business, financial condition, and results of operations.

**21. *Our Promoters have provided personal guarantees for loans availed by us.***

Our Company has availed loans in the ordinary course of business for the purposes including working capital, term loan for capital expenditure and takeover loans for consolidation of existing term loans. Our Promoters have given personal guarantees in relation to certain loans obtained by our Company, for details please see “*Financial Indebtedness*” on page 368 of this Red Herring Prospectus. In the event of default on the loans, the guarantees may be invoked by our lenders thereby adversely affecting our Promoters’ ability to manage the affairs of our Company and this, in turn, could adversely affect our business, prospects, financial condition and results of operations.

Further, if any of these guarantees are revoked by our Promoters, our lenders may require alternate securities or guarantees and may seek early repayment or terminate such facilities. Any such event could adversely affect our financial condition and results of operations. For further details in relation to the personal guarantees provided by our Promoters, see section “History and Certain Corporate Matters” on page 136 of this Red Herring Prospectus.

***22. We are required to furnish bank guarantees as part of our business. Our inability to arrange such guarantees or the invocation of such guarantees may adversely affect our cash flows and financial condition.***

We are required to provide bank guarantees in favour of our clients to secure our financial/performance obligations under the respective contracts for our projects and also to the government and local authorities for securing the Right of way permissions. We may not be able to continue obtaining new bank guarantees in sufficient quantities to match our business requirements. If we are unable to provide sufficient collateral to secure the bank guarantees our ability to enter into new contracts could be limited. Providing security to obtain bank guarantees also increases our working capital requirements. If we are not able to continue obtaining new bank guarantees in sufficient quantities to match our business requirements, it could have a material adverse effect on our business, results of operations and our financial condition.

As on March 31, 2018, we had issued bank guarantees amounting to ₹ 374.21 million towards securing our financial/performance obligations consisting 12.38 % of our consolidated revenue from operations. We may be unable to fulfill any or all of our obligations under the contracts entered into by us due to unforeseen circumstances which may result in a default under our contracts resulting in invocation of the bank guarantees issued by us. If any or all the bank guarantees are invoked, it may result in a material adverse effect on our business and financial condition.

***23. We depend on various third parties, including our contractors and independent service providers, over whom we may have no control.***

We engage third-party contractors and sub-contractors to perform parts of our work or provide services or manpower. The success of our projects therefore also depends on the performance of various third parties, including our contractors and service providers. As we do not control any of our contractors or service providers, we cannot ensure that they will perform their obligations and services satisfactorily to a standard that meets our requirements or targeted quality levels in relation to our projects. We may also not be able to recover compensation for any resulting defective work or materials. We cannot ensure that there will be no delay in performance of duties by our contractors, which may cause a delay in completion of our projects. We may also be exposed to risks relating to the ability of the contractors to obtain requisite approvals for the operation and maintenance activities as well as the quality of their services, equipment and supplies. Further, while we may sub-contract our work but we may still be liable for accidents on the projects due to any defects and quality of work of our projects. In addition, we can make no assurance that such contractors or their sub-contractors will continue to hold or renew valid registrations under the relevant labour laws in India or be able to obtain the requisite approvals for undertaking such construction and operation.

Our contractors and service providers may also face financial, legal or other difficulties which may affect their ability to continue with a project. If our contractors are unable to perform in accordance with their commitments on time or meet the quality standards required, our ability to complete projects on time or at all could be impaired. This may have an adverse effect on our reputation, cash flows, business, results of operations and financial condition.

***24. Delays in the acquisition of the rights of way permission from government or local authorities may adversely affect our timely performance of our contracts and lead to disputes and losses.***

Under our vendor projects and own network under IP-1 License, we are required to procure Right of way permission from the government and local authorities, which are beyond our control. Generally, as a part of the project execution methodology our company applies for the ROW permission after the completion of the feasibility study. The authorities charge some fees and also require some bank guarantee, and permission is awarded for the route development. The authorities include local municipal bodies, PWD authorities, Roads/NHAI department, notified area officer, railway authorities, Central or State government departments, etc. There may be a delay in laying OFC network, if there is a delay in receipt of RoW permissions, or we may have to change the mapping in case the OFC

network may not be able to pass through a certain area. Any failure and/or delay in laying our OFC network within the time frame committed may delay the execution of the project. Moreover, we may be subjected to legal proceedings or claims by such clients if these permissions and project are not completed in a timely manner. These factors, either individually or collectively, could have an adverse effect on our business, financial condition and results of operations.

***25. Obsolescence, destruction, breakdowns of equipment or failures to repair or maintain such equipment may adversely affect our business, cash flows, financial condition and results of operations.***

The main equipments used by us for undertaking our projects are equipments and machines such as HDD Machine, Splicing Machine, Cable route locator, depth measuring device, Digitrack mark tracking system, duct rodder, fibre cleaver, optical fiber fusion splicer, optical fiber high precision cleaver, optical fiber identifier, optical fibre cable blowing machine, optical power source & melter and OTDR machine. To maintain our capability to undertake projects, we seek to purchase equipment built with the latest technology and know-how and keep them readily available. However, we cannot assure you that we will be immune from the associated operational risks such as the obsolescence of our equipment, destruction, theft or major equipment breakdowns or failures to repair our equipment, which may result in their unavailability, project delays, cost overruns and even defaults under our contracts.

Obsolescence, destruction, theft or breakdowns of equipment may significantly increase the equipment purchase cost and the depreciation of our equipment as well as change the way our management estimates the useful life of our equipment. In such cases, we may not be able to acquire new equipment or repair the damaged equipment in time or at all. Some of our major equipment or parts may be costly to replace or repair. We may experience significant price increases due to supply shortages, inflation, transportation difficulties or unavailability of bulk discounts. Such obsolescence, destruction, theft, breakdowns, repair or maintenance failures or price increases may not be adequately covered by the insurance policies availed by our Company and may have an adverse effect on our business, cash flows, financial condition and results of operations.

***26. Faults may arise in our projects, which may result in delays in completion and revision in estimated costs, thereby affecting our business and results of operations.***

We may, in the course of our operations, encounter faults on account of factors which may be beyond our control. Such faults may typically result in revision/modification to our feasibility study thereby resulting in increased cost due to delay, increase in estimated cost of operations on account of additional work executed towards rectification of the fault. We may not be able to recover such increased costs from our customers in part, or at all, and may further be subject to penalties, on account of such faults arising in our projects. We may further face delays in the estimated project completion schedule in respect of such projects on account of additional works required to be undertaken towards rectifying such issues and are dependent upon our clients permitting extension of time of completion of such projects.

Delays in completion of our projects could increase the financing costs associated with the project and cause costs to exceed our forecasted budgets. We also cannot assure you that our clients will permit such revised completion schedule to be implemented to the necessary extent or at all and we may be held for breach of the terms and conditions of the contracts in respect of such projects pertaining to completion schedule. Further, such construction faults may result in loss of goodwill and reputation and may further more have a material and adverse impact on our future project, thereby affecting our future operations and revenues.

***27. Our Company has not obtained change in user permission from the MIDC in respect of the premises located at Village Shirvane which are currently utilized as its warehouse.***

Our Company has obtained premises located at Plot No.222/37, Village Shirvane, MIDC, on lease basis under the lease agreement dated September 29, 2014 from the MIDC. As per the terms of the lease agreement, the said premises are to be used only for factory purposes. While the Company currently uses the aforesaid premises as a warehouse, no specific consent of the MIDC has been obtained for such use. The MIDC may deem our Company to be in breach of the terms of the aforesaid agreement and may repossess the premises. The same may adversely affect the business operations of the Company.

**28. *Our operations are subject to physical hazards and similar risks that could expose us to material liabilities, loss in revenues and increased expenses.***

Our business operations are subject to risks, including but not limited to, fatal accidents and mishaps or other force majeure conditions which are beyond our control. Though before commencement of any project, we undertake a feasibility study of the site which involves study and identify the strata of the route, soil type, ROW (Right of Way) authorizations required, local hindrances, sleeve adequacy of the road to execute the route, underground utilities laid, if any, etc. However even after conducting the study there are always anticipated or unforeseen risks that may come up due to adverse weather conditions, geological conditions, specification changes and other reasons. In such a scenario, we may be required to provide compensation and related payments in relation to fatal accidents that have occurred at our project sites and as such cannot assure you that such accidents will not happen. During the construction and maintenance period, we may be exposed to various risks which we may not be able to foresee or may not have adequate insurance coverage.

Additionally, our operations are subject to hazards inherent in providing engineering services, such as risk of equipment failure, work accidents, fire or explosion, including hazards that may cause injury and loss of life, severe damage to and destruction of property and equipment, and environmental damage. In case of any such event, we may be required to pay for the damages caused and this may have material adverse effect on our reputation, business, financial condition and results of operation.

**29. *We could be adversely affected if we fail to keep pace with technical and technological developments in the industry.***

Our recent experience indicates that clients are increasingly demanding developing larger, more technically complex projects telecom infrastructure sector. To meet our clients' needs, we must regularly update existing technology and acquire or develop new technology for our services. In addition, rapid and frequent technology and market demand changes can often render existing technologies and equipment obsolete, requiring substantial new capital expenditures and/or write-downs of assets. Our failure to anticipate or to respond adequately to changing technical, market demands and/or client requirements could adversely affect our business, financial condition and results of operation.

**30. *Our Company has outstanding unsecured loans aggregating to ₹68.31 million as on March 31, 2018. Such loans may be called by the lenders at any time which could adversely and materially affect the business, results of operations and financial condition of our Company.***

All of the outstanding unsecured loans of our Company amounting to ₹ 68.31 million as on March 31, 2018 which are repayable on demand and there is no fixed repayment schedule for the same. In the event that the lenders of such outstanding unsecured borrowings call in the loan, we would need to find alternative sources of financing, which may not be available on commercially reasonable terms or at all. Further, in case of any demand from lenders for repayment of such outstanding unsecured loans, the resultant cash outgo, may adversely affect our business operations and financial position of our Company. For details of our indebtedness, please refer to the chapter titled "Financial Indebtedness" beginning on page 368 of this Red Herring Prospectus.

**31. *We may face labour disruptions and other planned and unplanned outrages that would interfere without operations.***

Our Company's activities require us to employ labourers for our operations, both on our payrolls as well as on contract basis. As on the date of this Red Herring Prospectus, our employees are not affiliated to any trade or labour union. Strikes and other labour action may have an adverse impact on our operations. Though we have not experienced any such labour disruption in the past, we cannot guarantee that we will not experience any strike, work stoppage or other such action in the future. For further details, please refer to the chapter titled 'Our Business' on page 124 of this Red Herring Prospectus. In addition, we employ labourers on contract basis and we may be held responsible for any wage payments to be made to such labourers in the event of default by such independent contractor. Any requirement to fund their wage requirements may have an adverse impact on our results of

operations and financial condition. Thus, any such order from a regulatory body or court may have an adverse effect on our business, results of operations, cash flows and financial condition.

***32. The loss of key suppliers or their failure to deliver equipment and material on a timely basis could negatively impact our business prospects and results of operations.***

We rely on various suppliers to provide equipment, Optical Fibre Cables and other key components in building our network infrastructure such as HPDE ducts, Joint enclosures, Couplers & plugs, precast chambers, hitting sleeve amongst others. Our top five suppliers for the Fiscal period 2018, 2017 and 2016 have contributed 26.83%, 10.74% and 16.06% respectively of our Total revenue from operations. We must have an adequate supply of such equipment on hand to respond to new requirements in a timely manner. We purchase all the required OFC network infrastructure components and other equipments from our suppliers on a purchase order basis and have no long-term contracts with any suppliers. If the suppliers are unable to supply us with these products in timely manner or the costs of these products increase due to unforeseen circumstances, this could negatively impact our operating results, particularly if we are unable to add new clients or pass on such costs to our existing clients. Consequently, if we are unable to source hardware, cables and other key components required for building our OFC network infrastructure, the rollout of our OFC network infrastructure may be delayed or impeded, which may adversely affect our ability to implement our business strategies and our results of operations.

***33. We have not made definite arrangements for procurement/order placement of project material and [●] % of the total issue proceeds. Any delay in placing the orders or delay at the suppliers' end may result in time and cost overrun.***

While, we have received estimates/quotations for the project materials, we would be placing orders for the project materials at an appropriate time, as the same are available at reasonably short notice. The purchase of project materials would require us to consider factors including but not limited to pricing, delivery schedule and quality of materials. There may also be a possibility of delay at the suppliers' end in providing timely delivery of these project materials, which in turn may delay the implementation of our project. Further, we cannot assure you that the purchase of the equipment would occur at the estimated price only. Also, we have not yet applied for the ROW permission for the route which we are planning to develop under the OFC network as the ROW is done on a stage wise basis, while permissions are applied for in advance, all applications are not made together at the commencement of the project. These are done once feasibility studies are completed and once the project advances as per the planned stages. There may be chances that we may not be able to procure the ROW permissions in a timely manner or at all, which may have a material affect proposed expansion and business operations.

***34. Our Promoters and the members of our Promoter Group will continue to retain significant control in our Company after the Issue, which will allow them to influence the outcome of matters submitted to shareholders for approval. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control.***

After the completion of this Issue, our Promoters and the members of the Promoter Group will continue to hold a majority of the paid up Equity Share capital of our Company. As a result, our Promoters will continue to exercise significant control over our Company, including being able to control the composition of our Board of Directors and determine decisions requiring simple or special majority voting, and our other shareholders will be unable to affect the outcome of such voting. Our Promoters may take or block actions with respect to our business, which may conflict with our interests or the interests of our minority shareholders, such as actions which delay, defer or cause a change of our control or a change in our capital structure, merger, consolidation, takeover or other business combination involving us, or which discourage or encourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of us. We cannot assure you that our Promoters and members of our Promoter Group will act in our interest while exercising their rights in such entities, which may in turn materially and adversely affect our business and results of operations. We cannot assure you that our Promoters will act to resolve any conflicts of interest in our favour. If our Promoters sells a substantial number of the Equity Shares in the public market, or if there is a perception that such sale or distribution could occur, the market price of the Equity Shares could be adversely affected. No assurance can be given that such Equity Shares that are held by the Promoters will not be sold any time after the Issue, which could cause the price of the Equity Shares to decline.



**35. *Our Company has in the past entered into related party transactions with our Promoters and members of the Promoter Group and may continue to do so 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 operations.***

Our Company has entered into related party transactions with our Promoters, promoter group members and group companies in the past. Our related party transaction constitutes 4.10 % of our consolidated revenue from operations as on March 31, 2018. While our Company believes that all such transactions have been conducted on an arm's length basis and are accounted as per the relevant Indian Accounting Standard, there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we may enter into related party transactions in the future also. 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 operations. For further details of the related party transactions entered between our company and the promoters, promoter group members and the group companies please refer chapter titled "*Financial Information of our company*" on page 313 and 210 of this Red Herring Prospectus.

**36. *Our Company may not be able to protect our intellectual property rights, which may harm our business. Further, we are unable to assure that the future viability or value of any of our intellectual property or that the steps taken by us to protect the proprietary rights of our Company will be adequate.***

As on date of this Red Herring Prospectus, Our Company has a trademark registered under class 37 with the Registrar of Trademarks. The registration for the said trademark is very important to retain our name and goodwill. Failure to protect our intellectual property rights may adversely affect our competitive business position, financial condition and profitability. In addition, the precautions we take to protect our intellectual property rights, may be inadequate and/or it is possible that third parties may copy or otherwise obtain and use our intellectual property without authorization or otherwise infringe on our rights for which we may need to undertake expensive and time-consuming litigation to protect our intellectual property rights and this may have an adverse effect on our business, prospects, results of operations and financial condition.

Further, if we do not maintain our trademark or if we fail to provide projects on a timely basis, we may not be able to maintain our competitive edge. If we are unable to compete successfully, we could lose our customers, which would negatively affect our financial performance and profitability.

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

Our Company has paid dividends in two of the past five financial years. The amount of our future dividend payments, if any, will depend upon our future earnings, financial condition, cash flow, working capital requirements, capital expenditures and other factors. There can be no assurance that we shall have distributable funds or that we will declare dividends in the future. Additionally, the terms of any financing we obtain in the future, may contain restrictive covenants which may also affect some of the rights of our shareholders, including the payment of the dividend.

Payment of dividend will be at the discretion of Board of Directors and will depend on a number of factors including but not limited to overall financial position and capital requirement of the Company. For further details, please see the chapter titled "*Dividend Policy*" beginning on page 158 of the Red Herring Prospectus.

**38. *We have had instances of regulatory non-compliances, including certain lapses in relation to regulatory filings, internal controls and internal record keeping under applicable company law.***

There have been certain instances of discrepancies/non-compliances by our Company in relation to certain filings and disclosures made to the RoC under applicable company law, such as delays in filing of relevant forms with the RoC related to creation and satisfaction of charge, clerical errors in the filings made with the RoC such as incorrect face value and number of equity shares, turnover, authorized capital reflected in certain annual returns filed by our Company. While our Company has filed the requisite forms (with condonation/delay fees) and the rectification



forms for the incorrect annual return, we cannot assure you that no penalty will be imposed on the Company for the said lapse. Any penalty applicable on the Company may adversely affect the cash flows and results of operations of our Company.

In addition, certain RoC filings are not available in the records of the company such as incorporation form and the Appointment of Mr. Dinesh Kollaiah Kargal as the Managing Director of the company. Also, the Company has not filed the requisite form with the RoC for change in terms of appointment of the Managing Director in the year 2014.

The following are instances of the key non-compliances:

(Amount in Rs.)			
Sr. No.	Compliance under the Act	Present Status of Compliance/ filing	Penalty
1.	Company has failed to file resolution under Section 192 of the erstwhile Companies Act, 1956 for appointment/ re-appointment/ variation of terms of Managing Director in the year 2006 and 2014.	Company has filed the application of Condonation with Central Government for both the Forms on May 23, 2018. The said forms have been marked for re-submission and the Company is yet to file the same with Central Government.	Unascertained
2.	Company has failed to comply with the provisions of the Section 82 of the Companies Act, 2013 i.e. reporting of Satisfaction of Charge by Company to Registrar.	By the order of the Regional Director, Western Region Ministry of Corporate Affairs, Mumbai dated May 18, 2018, the application for Condonation of Delay made by our Company pertaining to reporting the Registrar about the satisfaction of Charge satisfied on March 28, 2017 was allowed.	Rs. 25,000/-

While, we have not received any show cause notice from the concerned authorities for the same, we cannot assure you that no penalty will be imposed on the Company for the said lapse in future.

Further, our Company was allotted 25% of the paid up share capital of Vaviya Developers Private Limited in the year 2015-16 and therefore was required to file its consolidated financial statement including the financials of Vaviya Developers Private Limited with the RoC for the financial year ended March 31, 2016 and March 31, 2017 in accordance with AS-23. Our Company had failed to file such consolidated financial statement. However, the same have been now been complied in the statutory and restated account of the Company Also, our Company has not complied with some Accounting Standards in the past such as AS-15. The Company has now made necessary compliance in the re-stated financial statements of the Company. There can be no assurance that the concerned authorities will not impose any penalties/fines on our Company in this regard.

**39. If there are delays or cost overruns in utilisation of Net Proceeds, our business, financial condition and results of operations may be adversely affected.**

The fund requirement mentioned as a part of the objects of the Issue is based on internal management estimates and has not been appraised by any bank or financial institution. This is based on current conditions and is subject to change in light of changes in external circumstances, costs, other financial condition or business strategies. We are also yet to procure the Right of way permission and obtain necessary approvals that may be required. We have also not placed any orders for purchase of materials. We have relied on past expenditure in setting up the projects for the purposes of estimating utilisation of the Net Proceeds in the future. As a consequence of any increased costs, our actual deployment of funds may be higher than our management estimates and may cause an additional burden on our finance plans, as a result of which, our business, financial condition, results of operations and cash flows could be materially and adversely impacted.

Furthermore, we may need to vary the objects of the Issue due to several factors or circumstances including competitive and dynamic market conditions, variation in cost structures, changes in estimates due to cost overruns or delays, which may be beyond our control. Pursuant to Section 27 of the Companies Act, 2013, any variation in the objects of the Issue would require a special resolution of our shareholders, and our Promoters or controlling

shareholders will be required to provide an exit opportunity to our shareholders who do not agree to such variation. If our shareholders exercise such an exit option, our share price may be adversely affected.

**40. The average cost of acquisition of Equity Shares by our Promoters, may be less than the Issue Price.**

The average cost of acquisition of Equity Shares by our Promoters Dinesh Kollaiah Kargal and Shashikala Dinesh Kargal is ₹ 0.08 and ₹ 0.08, respectively. We cannot assure you that the Issue Price as decided in the Issue, will be less than the average cost of acquisition of Equity Shares of our Promoters.

**41. We may not be able to realise the amounts, partly or at all, reflected in our Order Book which may materially and adversely affect our business, prospects, reputation, profitability, financial condition and results of operation.**

As of April 01, 2018, our Company's Order Book was approximately ₹ 4200.00 million. Future earnings related to the performance of projects in the order book may not be realized and although the projects in the order book represent business that is considered firm, cancellations or scope or schedule adjustments may occur. We may also encounter problems executing the project as ordered, or executing it on a timely basis. Moreover, factors beyond our control or the control of our clients may postpone a project or cause its cancellation, including delays or failure to obtain necessary permits, authorizations, permissions, right-of-way, and other types of difficulties or obstructions. Due to the possibility of cancellations or changes in scope and schedule of projects, resulting from our clients' discretion or problems we encounter in project execution or reasons outside our control or the control of our clients, we cannot predict with certainty when, if or to what extent a project forming part of our order book will be performed. Delays in the completion of a project can lead to clients delaying or refusing to pay the amount, in part or full, that we expect to be paid in respect of such project. Even relatively short delays or surmountable difficulties in the execution of a project could result in our failure to receive, on a timely basis or at all, all payments due to us on a project.

Any delay, reduction in scope, cancellation, execution difficulty, payment postponement or payment default in regard to our order book projects or any other incomplete projects, or disputes with clients in respect of any of the foregoing, could adversely affect our cash flow position, revenues and earnings.

**42. We have not made any provisions for decline in value of our investments.**

As on March 31, 2018, we hold investments in Unquoted Equity Instruments aggregating to Rs. 4.93 million as per Restated Standalone Financial Statements. We have not made any provision for the decline in value of these investments and hence as and when these investments are liquidated, we may book losses based on the actual value we can recover for these investments and if lower than the cost, the same could adversely affect our results of operations.

**43. Our Subsidiary and Group Companies have incurred losses in past and any operating losses in the future could adversely affect the results of operations and financial conditions of our group company.**

The details of profit and loss of our Subsidiary and Group Companies in past years are as follows:

(Rs. in million)

Name	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015
Dataexpress Private Limited	(0.69)	-	-	-
Delix Net Solutions Private Limited	(2.36)	-	-	-
Vaviya Developers Private Limited	(0.35)	(0.02)	(0.27)	(4.10)

Presently, Our Subsidiary Company does not have any revenue from its operations, thus we cannot assure you that our Subsidiary will not incur losses in the future. Any operating losses by our Subsidiary or Group Companies could adversely affect the overall operations of the group and financial conditions. For more information, regarding the

Companies, please refer chapter titled “Group Companies” and “Our Subsidiary” beginning on page 153 and 151 of this Red Herring Prospectus.

**44. Our net cash flows from operating, investing and financing activities have been negative in some years in the past. Any negative cash flow in the future may affect our liquidity and financial condition.**

Our cash flow from our investing and financing activities have been negative in the past. Following are the details of our cash flow position during the last five financial years based on standalone restated financial statements are:-

(Amount in Rs. Million)

Particular	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
Net cash generated from/(used in) operating activities	275.50	469.63	287.76	60.36	80.17
Net cash (used in) Investing Activities	(551.95)	(238.60)	(267.73)	(206.36)	(42.50)
Net cash(used in) / from financing activities	114.98	(100.25)	(43.78)	173.95	(39.21)

For details, please see the chapter titled “Financial Information of Our Company” on page 268 of this Red Herring Prospectus. Any negative cash flows in the future could adversely affect our results of operations and consequently our revenues, profitability and growth plans.

**45. Our Company has during the preceding one year from the date of the Red Herring Prospectus have allotted Equity Shares at a price which is lower than the Issue Price.**

In the last 12 months, we have made allotments of Equity Shares through bonus issue of shares to the shareholders, which are given without any consideration to the shareholders. For details relating to number of shares issued, date of allotment etc. please refer to section titled “Capital Structure” on page 79 of this Red Herring Prospectus. The Issue Price is not indicative of the price that will prevail in the open market following listing of the Equity Shares.

**46. Significant differences exist between Ind AS and other accounting principles, such as Previous GAAP, IFRS and U.S. GAAP, which may be material to investors’ assessment of our financial condition.**

There are significant difference exists between the Ind AS and other accounting principles, such as Previous GAAP, IFRS and U.S. GAAP. We have not attempted to quantify the impact of US GAAP or IFRS on the financial data included in this Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of US GAAP or IFRS. US GAAP and IFRS differ in significant respects from Ind AS and previous GAAP in accordance with Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013. Accordingly, the degree to which Ind AS and Indian GAAP financial statements, which are restated as per SEBI ICDR Regulations included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with these accounting practices. Any reliance by persons not familiar with these accounting practices on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited.

**47. This Red Herring Prospectus contains information from an industry report which we have commissioned from CARE Advisory.**

This Red Herring Prospectus includes information that is derived from the report of CARE Advisory prepared by CARE, a research house, pursuant to an engagement with our Company. We commissioned this report for the purpose of confirming our understanding of the industry in India. Neither we, nor any of the BRLM, nor any other person connected with the Issue has verified the information in the said Report. CARE has advised that while it has taken due care and caution in preparing the commissioned report, which is based on information obtained from sources that it considers reliable (“Information”), it does not guarantee the accuracy, adequacy or completeness of the Information and disclaims responsibility for any errors or omissions in the Information or for the results obtained

from the use of the Information. The Report also highlights certain industry and market data, which may be subject to assumptions. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions vary widely among different industry sources. Further, such assumptions may change based on various factors. We cannot assure you that the assumptions are correct or will not change and, accordingly, our position in the market may differ from that presented in this Red Herring Prospectus. Further, the commissioned report is not being commendation to invest or disinvest in our Company. CARE has disclaimed all financial liability in case of any loss suffered on account of reliance on any information contained in the Report. Prospective Investors are advised not to unduly rely on the Report or extracts thereof as included in this Red Herring Prospectus, when making their investment decisions.

## EXTERNAL RISK FACTORS

### ***48. Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws and regulations, may adversely affect our business and financial performance.***

Our business and financial performance could be adversely affected by changes in law, or interpretations of existing laws, rules and regulations, or the promulgation of new laws, rules and regulations in India, applicable to us and our business. The governmental and regulatory bodies in India and other jurisdictions where we operate may notify new regulations and/or policies, which may require us to obtain approvals and licenses from the government and other regulatory bodies, or impose onerous requirements and conditions on our operations, in addition to those which we are undertaking currently. Further, India may adopt or be subject to future global manufacturing or production standards. Any such changes and the related uncertainties with respect to the implementation of new regulations may have a material adverse effect on our business, financial condition and results of operations.

The application of various Indian and international sales, value-added and other tax laws, rules and regulations to our services, currently or in the future, may be subject to interpretation by applicable authorities, and if amended/notified, could result in an increase in our tax payments (prospectively or retrospectively) and/or subject us to penalties, which could affect our business operations. Further, we run the risk of the Income Tax Department assessing our tax liability that may be materially different from the provision that we carry in our books for the past periods. The Government of India has introduced a comprehensive national goods and services tax ("GST"), regime that will combine taxes and levies by the central and state governments into a unified rate structure. GST has become applicable from July 1, 2017. Any such future increases or amendments may affect the overall tax efficiency of companies operating in the industry in India and may result in significant additional taxes becoming payable. Separately, the Government of India has issued the Income Computation and Disclosure Standards ("ICDS") that will be applied in computing taxable income and payment of income taxes thereon, applicable with effect from Fiscal 2017. ICDS shall apply to all taxpayers following an accrual system of accounting for the purpose of computation of income under the heads of "profits and gains of business or profession" and "income from other sources". Such specific standards for computation of income taxes in India are relatively new, and the impact of the ICDS on our results of operations and financial condition is uncertain.

### ***49. We may be affected by competition law in India and any adverse application or interpretation of the Competition Act could in turn adversely affect our business.***

The Competition Act was enacted for the purpose of preventing practices that have or are likely to have an adverse effect on competition in India and has mandated the Competition Commission of India (CCI) to separate such practices. Under the Competition Act, any arrangement, understanding or action, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition is void and attracts substantial penalties.

Further, any agreement among competitors which, directly or indirectly, involves determination of purchase or sale prices, limits or controls production, or shares the market by way of geographical area or number of subscribers in the relevant market is presumed to have an appreciable adverse effect in the relevant market in India and shall be void. The Competition Act also prohibits abuse of a dominant position by any enterprise. On March 4, 2011, the Central Government notified and brought into force the combination regulation (merger control) provisions under the Competition Act with effect from June 1, 2011. These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to, and pre-approved by, the CCI. Additionally, on May 11, 2011, the CCI issued the

Competition Commission of India (Procedure for Transaction of Business Relating to Combinations) Regulations, 2011, as amended, which sets out the mechanism for implementation of the merger control regime in India.

The Competition Act aims to, among other things, prohibit all agreements and transactions which may have an appreciable adverse effect in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conductor combination occurring outside of India if such agreement, conduct or combination has an appreciable adverse effecting India. However, the impact of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage. We are not currently party to any outstanding proceedings, nor have we received notice in relation to non-compliance with the Competition Act or the agreements entered into by us. However, if we are affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business, financial condition, results of operations and prospects.

***50. Political, economic or other factors in India beyond our control may have an adverse impact on our business, results of operations and prospects.***

Our Company is incorporated in India and almost all our assets and employees are located in India. As a result, we are highly dependent on the prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy, and hence our results of operations, may include:

- any increase in interest rates or inflation;
- any exchange rate fluctuations;
- an increase in India's trade deficit;
- a decline in India's foreign exchange reserves;
- any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India
- volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- changes in India's tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighboring countries;
- occurrence of natural or man-made disasters;
- any downgrading of India's debt rating by a domestic or international rating agency;
- instability in financial markets;
- any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy;
- any natural calamities such as earthquakes, tsunamis, floods or other natural calamities, impacting the national or any regional economies.

***51. Conditions in and volatility of the India securities market may affect the price or liquidity of our Equity Shares.***

The Indian securities market is smaller than securities markets in more developed economies. Indian stock exchanges have in the past experienced substantial fluctuations in the prices of listed securities. Further, the Indian stock exchanges have often experienced period of significant volatility in the last three years. The regulation and monitoring of Indian securities markets and the activities of investors, brokers and other participants differ, in some cases significantly, from those in Europe and the United States of America. The Indian stock exchanges have also experienced problems that have affected the market price and liquidity of securities, such as temporary exchange closures, broker defaults and settlement delays which, if continuing or recurring, could affect the market price and liquidity of the securities of Indian companies.

***52. Natural disasters, acts of war, political unrest, epidemics, terrorist attacks or other events which are beyond our control, may cause damage, loss or disruption to our business and have an adverse impact on our business, financial condition, results of operations and growth prospects.***



Our Company is subject to operating risks, such as the risk of substantial disruption or shutdown due to natural disasters, storms, fires, explosions, earthquakes, floods and other catastrophic events, actual, potential or suspected epidemic outbreaks, terrorist attacks and wars, loss of services of our external contractors, and industrial accidents. The occurrence of any such event could result in a temporary or long-term disruption in our business operations and materially and adversely affect our financial condition. Additionally, any of these events could lower confidence in India's economy and create a perception that investments in companies with Indian operations involve a high degree of risk, which could have a material adverse effect on the price of the Equity Shares. Any discontinuation of business or loss of profits due to such extraneous factors may affect our operations.

***53. Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely impact the trading price of the Equity Shares.***

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions), if they comply with the valuation and reporting requirements specified by the RBI. If a transfer of shares is not in compliance with such requirements and does not fall under any of the exceptions specified by the RBI, then the RBI's prior approval is required. Further, our Company is under prior permission list of RBI for further investment by NRI in the Company's Equity Shares. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. We cannot assure you that any required approval from the RBI or any other government agency can be obtained on any particular terms or at all.

***54. Any future issuance of our Equity Shares may dilute your shareholdings and sales of our Equity Shares may adversely affect the trading price of our Equity Shares.***

Any future equity issuances by us may lead to the dilution of investors' shareholdings in our Company. In addition, any sales of substantial amounts of our Equity Shares in the public market after the completion of the Issue, or the perception that such sales could occur, could adversely affect the market price of our Equity Shares and could impair the future ability of our Company to raise capital through offerings of our Equity Shares. We also cannot predict the effect, if any, that the sale of our Equity Shares or the availability of these Equity Shares for the future sale, subject to compliance with applicable law, will have on the market price of our Equity Shares.

***55. Holders of Equity Shares may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby suffer future dilution of their ownership position.***

Under Section 62 of the Companies Act, 2013, a company incorporated in India must offer its equity shareholders pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages prior to issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the equity shares voting on such resolution. However, if the laws of the jurisdiction that you are in do not permit the exercise of such pre-emptive rights without our filing an offering document or a registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights. If we elect not to file an offering document or a registration statement, the new securities may be issued to a custodian, who may sell the securities for your benefit. The value of such custodian receives on the sale of any such securities and the related transaction costs cannot be predicted. To the extent that you are unable to exercise pre-emptive right available in respect of the equity shares, your proportional interests in our Company may be reduced by the new equity shares that are issued by our Company.

***56. Rights of shareholders under Indian laws may be more restrictive than under the laws of other jurisdictions.***

Indian legal principles related to corporate procedures, director's fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdiction. Investors may have more difficulty in asserting their rights as shareholders in an Indian company than as shareholder of a corporation in another jurisdiction.



**57. Any downgrading of India's sovereign rating by a domestic or international rating agency could adversely affect our business.**

Any adverse revisions to India's sovereign ratings for domestic and international debt by domestic or international rating agencies may adversely affect our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. This could harm our business and financial performance, ability to obtain financing for capital expenditures and the price of our Equity Shares.

**58. Our business is vulnerable to downturns in the general economy and industries in which we operate or which we serve. A global economic downturn could adversely affect our business, financial condition and results of operations.**

Our financial condition and results of operations depend significantly on worldwide economic conditions, level of activity and growth in the industries where we operate or serve. Unfavourable financial or economic conditions, such as the sovereign-debt crisis in the European Union, the continued weakness and uncertainty regarding the durability of the emerging economic recovery, have adversely affected the global economy. In addition, concerns over inflation, energy costs, geopolitical issues, the availability and cost of credit, unemployment, consumer confidence, declining asset values, capital market volatility and liquidity issues have created difficult operating conditions for us in the past and may continue to do so in the future. Uncertainty about future economic conditions makes it challenging for us to forecast our results of operations, make business decisions and identify risks that may affect our business. If we are not able to timely and appropriately adapt to changes resulting from the difficult macroeconomic environment, our business, results of operations and financial condition may be adversely affected.

Our business is adversely affected by decreases in the general level of economic activity, such as decreases in business and consumer spending, transportation, manufacturing activity and the financial strength of our customers. We are unable to predict the likelihood of occurrence and severity of any global or regional economic crises, slowdown or downturn in general economic condition. Global financial slowdown, volatility and uncertainty could have a number of follow-on effects on our business. If conditions become more severe or continue longer than we anticipate, or if we are unable to adequately respond to unforeseeable changes resulting from economic conditions, our financial condition and results of operations may be adversely affected.

**Prominent Notes**

1. Initial public offering of 10,000,000 Equity Shares, at an Issue Price of ₹ [●] per Equity Share for cash, aggregating up to ₹ [●] million and is being made through the Book Building Process. In terms of Rule 19(2) (b)(i) of the SCRR read with Regulation 41 of the SEBI ICDR Regulations, the Issue is being made for at least 25% of the post-Issue paid up equity share capital of our Company.
2. The Issue is being made pursuant to Regulation 26(1) of the SEBI ICDR Regulation, wherein not more than 50% of the Issue shall be available for allocation, on a proportionate basis, to QIBs. Our Company will in consultation with the BRLM, allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis. 5% of the QIB Category (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the QIB Category shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Issue shall be available for allocation to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price.
3. Our net worth as on March 31, 2018 was ₹ 1081.32 million and ₹ 1081.14 million, as per our Restated Standalone Financial Statements and Restated Consolidated Financial Statements, respectively. Our net asset value per Equity Share was ₹ 36.65 and ₹ 36.60 as at March 31, 2018, as per our Restated Standalone Financial Statements and Restated Consolidated Financial Statements respectively. For details, see “Financial Statements” on page 312 and 209 of this Red Herring Prospectus.

4. The average cost of acquisition of Equity Shares by our Promoters, Mr. Dinesh Kollaiah Kargal and Mr. Shashikala Dinesh Kargal is ₹ 0.08 per Equity Share. The average cost of acquisition has been computed by dividing cumulative amount paid for Equity Shares by cumulative number of Equity Shares. For details, see “*Capital Structure*” beginning on page 81 of this Red Herring Prospectus.
5. Pursuant to conversion into a public limited company, the name of our Company was changed to its present name and a fresh certificate of incorporation was issued by the RoC on January 30, 2018. Subsequent to the change of our name, there was no variation to the activities being undertaken by our Company. Accordingly, the objects clause of our Memorandum of Association was not required to be altered.
6. For details of transactions entered into by our Company with the Subsidiaries during the last Fiscal, the nature and value of transactions see “*Related Party Transactions*” beginning on page 157 of this Red Herring Prospectus.
7. There has been no financing arrangement whereby our Promoter Group, our Promoters, the Directors of our Company and their relatives, have not financed the purchase by any other person of securities of our Company other than in the normal course of business of the financing entity during the period of six months immediately preceding the date of filing of this Red Herring Prospectus with SEBI.
8. Investors may contact any of the Book Running Lead Manager as well as the Registrar to the Issue for any complaint pertaining to the Issue. For details of the Book Running Lead Manager and the Registrar to the Issue, see “*General Information*” beginning on page 72 of this Red Herring Prospectus.
9. All grievances, in relation to the ASBA process, may be addressed to the Registrar to the Issue, with copy to the relevant Designated Intermediary with whom the ASBA Form was submitted, quoting the full name of the sole or first Bidder, ASBA Form number, Bidders’ DP ID, Client ID, PAN, number of Equity Shares applied for, date of submission of ASBA Form, address of Bidder, the name and address of the relevant Designated Intermediary, where the ASBA Form was submitted by the Bidder and ASBA Account number in which the amount equivalent to the Bid Amount was blocked. Further, the Bidder shall enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents or information mentioned hereinabove.

### SECTION III – INTRODUCTION SUMMARY OF INDUSTRY

Unless noted otherwise, the information in this section is derived from Industry Report titled “Research on Telecom sector and Allied Sector by CARE Advisory” prepared by CARE Advisory. Our Company, the BRLM and any other person connected with the Issue has not independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Accordingly, investors should not place undue reliance on or base their investment decision on this information.

Further, in this regard, CARE Advisory has issued the following disclaimer:

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#### **Global Economy**

As per International Monetary Fund (IMF) October 2017 World Economic Outlook (WEO), the global growth forecast for 2017 and 2018 is 3.6 percent and 3.7 percent, respectively. The growth rate for emerging market and developing economies is forecast to rise to 4.6 percent in 2017, 4.9 percent in 2018 and about 5 percent over the medium term. This Growth forecast primarily reflects stronger projected activity in China and in emerging Europe for 2017 and 2018.

The US economy is projected to expand at 2.2 percent in 2017 and 2.3 percent in 2018. The projection of a continuation of near-term growth that is moderately above potential reflects very supportive financial conditions and strong business and consumer confidence. Over a longer horizon, US growth is expected to moderate. Potential growth is estimated at 1.8 percent, reflecting the assumption of continued sluggish growth in total factor productivity and diminished growth of the workforce due to population aging. The euro area recovery is expected to gather strength this year, with growth projected to rise to 2.1 percent in 2017, before moderating to 1.9 percent in 2018. The growth in 2017 mostly reflects acceleration in exports in the context of the broader pickup in global trade and continued strength in domestic demand growth supported by accommodative financial conditions amid diminished political risk and policy uncertainty. Growth in the United Kingdom is projected to subside to 1.7 percent in 2017 and 1.5 percent in 2018. The slowdown is driven by softer growth in private consumption as the pound's depreciation weighed on household real income. The medium-term growth outlook is highly uncertain and will depend in part on the new economic relationship with the EU and the extent of the increase in barriers to trade, migration, and cross-border financial activity.

In China, growth is projected to notch up to 6.8 percent in 2017, and to slow to 6.5 percent in 2018. The upward revision to the 2017 forecast reflects the stronger-than-expected outturn in the first half of the year underpinned by previous policy easing and supply-side reforms.

In the rest of emerging market and developing Asia, growth is expected to be vigorous. Strong government spending and data revisions in India led to an upward revision of 2016 growth to 7.1 percent with upward revisions of about

0.2 percentage point, on average, for 2014 and 2015. However, the growth projection for 2017 has been revised down to 6.7 percent reflecting still lingering disruptions associated with the currency exchange initiative introduced in November 2016, as well as transition costs related to the launch of the national Goods and Services Tax in July 2017. The latter move, which promises the unification of India's vast domestic market, is among several key structural reforms under implementation that are expected to help push growth above 8 percent in the medium term. In the ASEAN-5 economies (Indonesia, Malaysia, Philippines, Thailand, Vietnam), growth is expected to strengthen in 2017 to 5.2 percent, partly because of stronger-than-expected external demand from China and Europe.

Global growth is forecast to increase marginally beyond 2018, reaching 3.8 percent by 2021. With growth in advanced economies projected to gradually decline toward potential growth rates of about 1.7 percent once economic slack is eliminated, this further pickup in global activity is entirely driven by emerging market and developing economies. In these countries, growth is projected to increase to 5 percent by the end of the forecast period, with their impact on global activity boosted by their rising world economic weight. This forecast assumes some strengthening of growth in commodity exporters, though to rates much more modest than in 2000–15; a gradual increase in India's growth rate resulting from implementation of important structural reforms; continued strong growth in other commodity importers; and a lower but still high trend growth rate in China.

### **Indian Economy**

#### **• India's economic performance**

India has become the fastest growing major economy in the world according to the Central Statistics Organization (CSO) and the International Monetary Fund (IMF). According to the 2016-17 Economic Survey, India's economy should grow between 6.75 and 7.5 percent in fiscal year 2017-18.

India has seen a sustained improvement in its economic performance over the years and is one of the fastest growing economies of the world, with GDP growth rising from 5.5% in FY13 to 8% in FY16. The domestic economic growth has been consumption driven, while investments have been subdued in recent years. The economy saw a moderation in economic output in FY17 owing to the government's surprise demonetization of high value currencies in third quarter, which led a cash crunch in the country, adversely impacting economic activity. The economy nevertheless grew by a favourable 7.1% in FY17.

The Indian economic performance is slated to improve in the last 2 quarters of FY18. IMF projects India's GDP to grow by 6.7% in 2017 and 7.4% in 2018. It has been revised downwards from the earlier projections of 7.2% in 2017 and 7.7% in 2018 citing the disruptions related to demonetisation and implementation of GST.

#### **• Population and demography**

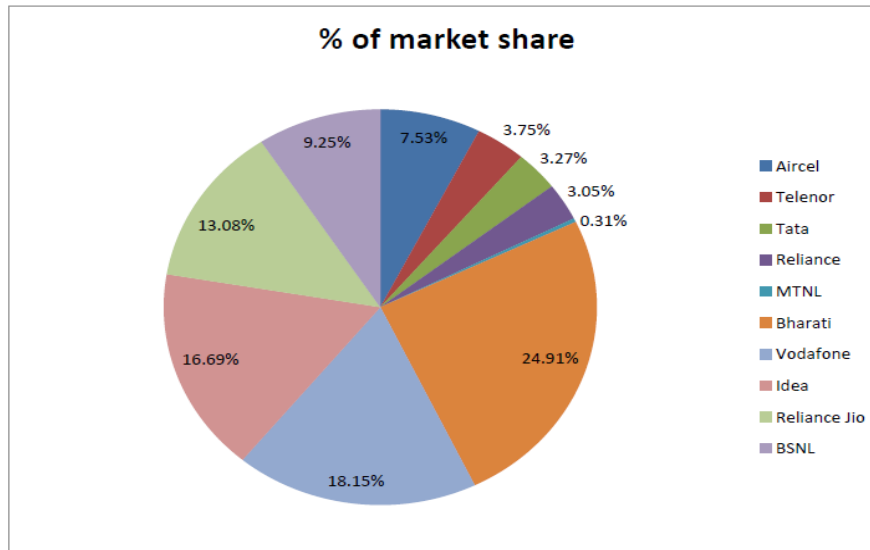
- The population of India as per the 2011 census stood at 1.21 billion, an 18% increase from 1.03 billion in 2001. India is expected to be the World's most populous country by 2022.
- The birth rate in India has been recorded at 20.4 per 1000 population in 2016, lower than 20.8 per 1000 in 2015 as per Central Bureau of Health Intelligence.
- The sex ratio is 900 females per 1000 males in 2015 lower than 906 females in the previous year.
- The death rate in India was 6.4 per 1000 population in 2016 lower than 6.5 per 1000 population in the previous year.
- The infant mortality rate has witnessed decline over the years. It fell to 34 per 1000 live births in 2016 from 37 per 1000 live births in 2015.
- The fertility rate is 2.3 births per women in 2015
- The urbanisation rate in India as a percentage of total population increased from 27.82% in 2001 to 31.15% in 2011 as per census.

### **Overview of Telecom Industry in India**

The Indian telecom industry is the second largest in the world by number of subscribers. The sector has witnessed exponential growth over the last few years primarily driven by affordable tariffs, wider availability, roll out of Mobile number portability (MNP), 3G and 4G, evolving consumption patterns of subscribers and conducive regulatory environment.

The telecom sector has grown at 19.6 per cent CAGR in terms of subscriber base and at 7.07 per cent CAGR from a revenue perspective over the last few years.

As on 30th November, 2017, the private access service providers held 90.44% market share of the wireless subscribers whereas BSNL and MTNL, the two PSU access service providers, had a market share of only 9.56% as represented below:



(Source: TRAI)

### Fiber and Broadband network overview

India is home to an infrastructure network comprising of over 450,000 towers and over 1.25 million kilometers of fiber. The Indian tower industry has also been on an upward trajectory owing to the growth of telecom sector, grant of 'infrastructure status' and its unique business model based on 'infrastructure sharing'. The model is meant to drive efficiencies and synergies and the era of multiple operators allowed that to happen very successfully leading to upfront savings in capex and time to market.

### BRIEF ON OPTICAL FIBER SEGMENT

Optical Fiber is the primary communication media for broadband services. Whether it is 4G data services, Cable TV services or E-health, E-commerce, E-Education etc., optical fiber through its ability to carry virtually unlimited bandwidth provides the most viable medium for carrying the digital signals.

### Indian Optical Fiber Industry Outlook

India has an established backbone network connecting states with each other and centre. While FOC network exists till the block level, backhaul network is yet to be brought to Optical Fiber Cable Network. Almost 80-90% tower backhaul connections are still on microwave links and they do not offer support for higher bandwidth capacities. The benefits of fiber are that it has nearly unlimited bandwidth potential. Besides with increase in rural penetration, scarcity of spectrum is likely to increase further and consequently the demand of FOC for backhaul as well as BTS access will be on the rise.

### Government Initiative & Budget Support for Optical Fiber Industry

Nationwide connectivity projects launched by the government such as National Optical Fiber Network (NOFN)/ Bharatnet and National Fiber Spectrum (NFS), and the rollout of 4G/5G in the country are bound to boost data transmission volumes, thereby making expansion of OFC installations critical for supporting the planned network expansions. In addition, next generation technologies such as LTE and FTTx, which require last mile connectivity, is expected to propel the demand for optical fiber cables in the coming years.

### **Global Outlook of the Optical Fiber Industry**

The global optical fiber market is estimated to grow at a CAGR of 11.7% during the forecast period 2016 - 2025 and accounts for US\$ 27.88 Bn in the year 2025.

The global optical fiber market is segmented based on types as: step indexed optical fiber and graded indexed optical fiber. On the basis of end-user optical fiber market can be further divided into Broadcast, IT & Telecom, and Industrial, Defense, Medical and Others.

One of the prime factors that are driving the demands for optical fiber cables is the growing needs for fast and improved networking and network services and growing penetration of broadband connections among developed and developing countries. Governments of various countries worldwide have laid their stress on the reach of high speed internet services in urban and rural areas of their countries. A fiber optic cable ensures maximum reach out of services with very less attenuations, higher bandwidths and greater reliability over longer distances as a result of which there has been a meteoric rise in its implementations in various corners of the globe.

### **Need for High Speed Connectivity**

The increasing need for 24x7 high-speed connectivity and increased traffic generation from voice, messaging, emails, games, downloads, mobile internet access, video streaming & other services have unleashed the benefits of optical fiber cable networks.

### **OUTLOOK FOR THE INDUSTRY**

India has one of the fastest growing telecommunications sector with over 1.1 billion connections. It is the second largest in the world while continuing to grow at a Compounded Annual Growth Rate (CAGR) of 19.6 per cent from FY'07-17. Driven by an exponential surge in data consumption in the recent few years, India ranks among top five countries across the world in highest internet users and is speculated to rank as the fourth largest market by the year 2020 with two out of every three mobile phones to be smart phones.

Optical Fiber Cable (OFC) continues to be the backbone of the digital world. With rapid spread of broadband connectivity and increasing usage of internet towards online financial transactions and sharing of confidential data, the need for secure transmission of data is gaining prominence. Exponential increase in the digital population and a consequential explosion in data consumption are necessitating the increase in carriage capacity and speed of the OFC network. Emerging trends in overhead carriage lines are opening up newer consumption possibilities of OFC.

### **Gas Distribution Sector and its Outlook**

#### **Indian Natural Gas Industry**

The oil and gas sector is among the core industries in India and plays a major role in influencing decision making for all the other important sections of the economy.

In 1997-98, the New Exploration Licensing Policy (NELP) was envisaged to fill the ever-increasing gap between India's gas demand and supply. India's economic growth is closely related to energy demand. Therefore, the need for oil and gas is projected to grow more, thus making the sector more conducive for investment.



## Natural Gas pipelines

Pipelines are used to transport Natural Gas. The Pipeline Infrastructure connects various gas sources to different gas markets to meet the existing/ future natural gas demand of various Power, Fertilizer, CGD and other industries in the country. The gas pipeline infrastructure has not only developed the much needed industrialization but has also brought about socio-economic changes in the major regions from where the gas pipeline passes.

Pipeline transportation of gas offers a safe, economic and environmentally sound alternative to most other modes of energy transport.

### The demand drivers

- **Vehicle sales:** With the expansion of CNG pumps across cities there has been a significant increase in CNG car sales. There are around 1,233 CNG stations across the country and 30,42,268 CNG vehicles which is minuscule. Most automobile companies have launched CNG fitted variants for their car models, which should boost volumes. Moreover, the ban on externally fitted CNG kits was lifted in July-17. Owing to this the number of private and commercial vehicles converting to CNG would surge in the near term. Mandatory piped gas in building structures: The government has accorded 'public utility' status to piped cooking gas and has made it mandatory for new building plans to incorporate pipeline infrastructure. This will boost the number of piped gas connections rapidly.
- **CNG bus/ auto rickshaw additions:** The Delhi government has announced plans for an addition of 2000 buses in the current fleet along with issuing additional 10,000 auto rickshaw licences in the coming months. This will boost demand in Delhi thereby benefitting IGL. With growing popularity, other states are expected to follow suit.
- **CNG two-wheelers:** Both IGL and MGL are piloting projects for the launch of CNG run two-wheelers. This could boost demand as well.
- **Industrial consumption:** In order to replicate the benefits which CNG has given to the transport segment, cleaner gas fuels are now being promoted for industrial use. This switch would boost the demand from the industrial segment. Delhi has already announced the ban on industrial use of high sulphur fuels in the city and is promoting a switch to cleaner fuels like LNG.
- **Green corridors:** The government has announced plans to build green corridors and ensure CNG stations on highways along Delhi and Mumbai. This could boost demand for gas marketing companies.

Overall, government's policy initiative to switch to cleaner fuels has made the sector grow exponentially in the last decade, and the demand-side boost provides significant tailwinds for gas retail companies. Apart from a few supply-side deficiencies, which can be addressed, the sector has immense potential for growth.

(Source: Moneycontrol)

## SUMMARY OF BUSINESS

### Overview

We are a passive communication infrastructure provider Company in India, focused on providing passive communication infrastructure services mainly to the Telecom operators and internet service providers (“ISPs”). Our Company was incorporated in 2006, and through the next several years, we are working towards executing the fiber laying work for many Telecom Operators. Our company has been licensed by Department of Telecommunications (DoT) with the Infrastructure Provider (IP)-I License, under which we can establish and maintain wired networks, Duct space for the purpose to grant on lease or sale on IRU basis to the licensees of Telecom operators, ISPs etc. Our key expertise lies in the field of providing support services to telecom vendors which inter alia includes project management for laying of the duct and optic fibre cables, construction of basic transmission and telecom utilities, dark fiber leasing, optical fiber network construction, maintenance of duct and optic fibre and optical fibre project turnkey services to various Telecom network operators & broad band Service operators across the states of India.

Since the receipt of the IP-I license, we have created our own optic fibre network of around 7500 kms which runs across the state of Rajasthan, Gujarat, Maharashtra, Goa, Karnataka, Andhra Pradesh and Telengana. Our wired network infrastructure solutions are used by many Telecom Companies such as Airtel, BSNL, Reliance Jio, Vodafone, Idea, Tata Communication etc. which helps them inter-alia in increasing network’s bandwidth, maximize existing network capacity, improve network performance and availability.

Since the year 2011, we have laid fibre network of around 9500 Kms for the telecom operators under the Vendor projects which run across the states of Maharashtra, Gujarat, Uttar Pradesh, Bihar, Karnataka, Andhra Pradesh, Chhattisgarh, Goa and Rajasthan and are currently being used by companies like BSNL, Airtel, Vodafone, Idea Cellular, Reliance Jio, TTML, BSNL, Reliance Corporate IT Park and TCIL. Apart from laying the network under the Vendor project or own network, we are also engaged in the operations & maintenance activity of the fibre network and preventing the underground optic fiber therein from getting cut due to activities like road repairs, digging and expansion works by various authorities.

The growth and development of our company during the past years have been the result of our customer centric approach and core competence in the field of Telecom Infrastructure. Our main focus and vision is on providing the customers with the desired quality work within the given time frame. Based on the past records and experience in the field of laying the fibre for the Telecom operators, Mahanagar Gas Limited has entrusted us with the laying of its gas pipelines under the city of Mumbai. The gas pipeline laying work will help us to diversify in the field of gas sector and will also open new business avenues for our company. The work of laying the gas pipeline has been undertaken through outsourcing the same to the sub-contractors.

Some of the prominent clients of our Company includes telecom giants like Bharti Airtel Ltd, Idea Cellular, Vodafone, Tata Communications Ltd. etc. as well as ISP clients like Intech, D-vois SSV, Atria, power grid, Hathway, Sify riding on our fibre optic network along several routes. Apart from the above we also have Mahanagar Gas Limited in our client list for gas pipeline work.

Our Company has grown many folds during the past decade under the leadership and guidance of our Promoter, Chairman and Managing Director, Mr. Dinesh Kollaiah Kargal. He has an overall experience of over 27 years in the field of civil construction and Telecom infrastructure sector. He has an experience of laying around 35000 kms during his career which has helped us to execute and undertake many challenging projects which were given by the telecom companies. His expertise and experience has been instrumental in the growth of our business. His foresightedness and vision have helped us to identify the opportunities well in time and gain advantage of the opportunities.

Our total revenue (gross) was ₹ 3027.78 million (net revenue from operations was ₹ 3021.73 million), ₹ 1699.11 million (net revenue from operations was ₹ 1692.32 million) and ₹ 1225.02 million (net revenue from operations was ₹ 1222.53 million) for the fiscal ended March 31, 2018, 2017 and 2016, respectively, in terms of our Restated Consolidated Financial Statements. The profit after tax of our company as per the restated consolidated financial statements for the fiscal ended March 31, 2018 2017 and 2016 is ₹ 618.01 million, ₹ 219.82 million and ₹ 128.98 million respectively.

## **Our Competitive Strengths**

We believe that the following are our primary competitive strengths:

### *1. Established Optic fiber network in India*

Over the past years we have created our own fibre optic network of around 7500 Kms which run across Rajasthan, Gujarat, Maharashtra, Goa, Karnataka, Andhra Pradesh and Telengana. Apart from the own network, we have also undertaken Vendor Projects and developed a Network of around 9500 Kms for our customers. This fibre network is currently being used by various companies such as companies like telecom operators, cable TV companies, MSOs, ISPs etc. Even after building a network running across 10 states, we are continuously expanding our fibre and duct network so as to be able to serve more customer needs and leverage economies of scale.

With the increase in the number of the Telecom subscribers, internet users and widespread digitalization, there has been an increasing need of fibre network. With the recent advancement in the field of Telecommunication, the telecom operators are more focused on taking the fibre network on lease rather than developing and maintaining their own network which is a business opportunity for our company.

### *2. Strong project management and execution capabilities*

Over the last five years, our Company has executed many projects for the telecom companies and gas companies. We have a strong ROW team which liaison with the government and local authorities to get the projects executed with all the required permission and without any hindrances from the locals. We use modern machineries like HDD (Horizontal Diagonal drilling) and JCBs to get the projects executed in timely manner and with the high standards. We get the projects executed with the contractors who are working with us for early execution. We have our own list of sub-contractor in various states that help us get the work executed in those respective areas.

Our focus is to leverage our strong project management and execution capabilities in order to complete our projects in a timely manner while maintaining high quality of work. The use of skilled labour and modern equipment enables us to control the cost of the project, and minimizes occurrence of events resulting in stoppage of work due to accidents or breakdown of machinery at project sites.

Our Company is also focused on ensuring that each project is executed in conformity with the work description provided in the contracts and adheres to the quality and standard as desired. We enjoy accreditations such as the ISO 9001, 14001 & OHSAS 18001 certification.

### *3. Efficient Business Model*

Our growth is largely attributable to our efficient business model which involves careful identification and assessment of the project with emphasis on cost optimization which is a result of executing our projects with careful planning and strategy. Our core business of leasing the fibre and duct on IRU basis to telecom operators is a unique business model which forms a major portion of our revenue. Further, the business of leasing the fibre and duct on IRU basis has emerged beneficial for the Telecom operators as there are increasing difficulties and the increasing price of ROW faced by the Telecom operators.

Our business model relies more on our efficient liasoning, speed of execution, quality of work performed and maintenance of the laid network. We have our own ROW team across the states which help us as well as the telecom operators to get the required permissions in a simpler and faster way. Our project team by using modern equipments and efficient labour manpower completes the project with superior quality and within the required timeframe. It gives us the upper hand over the other partners engaged in the same activity. We also have our own maintenance team which maintain our own network as well as undertake the maintenance work outsourced to us for maintenance purpose by the telecom operators. Our Company follows a strategic approach during the project execution stage, which involves undertaking technical surveys and feasibility studies,

identification of the material requirement at an early stage of project and the cost involved in undertaking the project. We believe that our project execution approach at each level of execution enables us to complete the project with the desired standards and with the most competitive cost. Further, we focus to ensure high quality standards, as a result of which, we believe, we are able to deliver the project successfully with the required standards.

The Current business model has facilitated us in maximizing our efficiency and increasing our profit margins. Additionally, use of the skilled manpower and modern equipment ensures better control over execution and timely completion of projects. Our experienced engineering and management teams are responsible for ensuring that we execute the project in a systematic and cost effective manner by monitoring operational costs, administrative costs and finance costs at every stage of the project cycle and applying checks and controls to avoid any cost and time overruns.

#### *4. Long standing customer relationships with strong repeat business*

Our quality and on-time execution has helped us forge strong relationships with our major clients. We are providing services to the leading telecommunications company which includes PSUs Companies as well. We have a history of high client retention and derive a significant proportion of our revenues from repeat business built on our successful execution of prior engagements. In last three financial years, we have generated more than 95% of our revenue from operations from our top 10 customers, among which most were our existing clients. We have built long standing customer relationships which have helped us better understand our clients' business needs and enabled us to provide effective solutions to meet these needs.

#### *5. Experienced Promoter, Management Team and Skilled Workforce*

We believe that we benefit from the vision, strategic guidance, experience, skills and relationships of several key members of our management team, including our Promoter and Managing Director, Dinesh Kollaiah Kargal, who has an overall experience of 27 years in the field of civil construction and telecom infrastructure business. His experience has been instrumental in our growth over the past. Our promoter and managing director has an experience of building and optic fibre network of around 35000 kms during his career. We also believe that our employees have been an important factor in our success as the quality of work is dependent on them. We believe in continuous development and have invested in our employees through steps to improve skills and service standards, enhance loyalty, reduce attrition rates and increase productivity. With the continuing involvement of the core members of our management team and key executives, we believe that we are well positioned to continue to tap growth opportunities across the business in the future.

#### *6. Quality Certification*

Our company believes in maintaining and adheres to quality standards. Our execution process is closely monitored by the project supervisors. Upon completion of the entire project a pre-acceptance testing of the entire project is done by the Project Team for self-righteousness and then the same is delivered to the client. In case of IP-I execution, once the pre-acceptance testing is cleared, the project is then offered to Operations & Maintenance team for final acceptance and testing.

Further our company has been accredited with ISO 9001:2015 certificate, 14001:2015 certificate & OHSAS 18001:2007 certificate.

#### *7. Co-ordinal relationship with our suppliers and contractors*

In telecom sector, the mobile signal strength depends largely on the quality of the fibre cables used for transmission of signal from one place to another and the protection of such cable depends on the duct used to protect the fibre. In order to ensure customer satisfaction, quality of the work done and the timely delivery of the work are very important. In many of the projects, the customer provides the details of the suppliers from whom the material needs to be procured for the project. We also have a list of nominated suppliers and contractor with whom we have been working since long and we believe in the quality of the material provided and the work undertaken by them.

We maintain long term business relationship with our key suppliers and contractors with whom we have a mutual understanding. This long standing relationship with them has ensured us timely delivery of our materials, supply of quality materials, timely execution and work performance as per the desired guidelines. This has been beneficial for us as we are able to successfully execute our projects on time and develop strong relationship with our suppliers and customers.

## **Our Business and Growth Strategies**

### *1. To enhance the coverage of the Optic fiber network*

Our Company has been mainly engaged in the work of laying fiber cable for own network as well for our customers. During the past decade, our company has created its own fibre optic network of around 7500 Kms which run across the states of Rajasthan, Gujarat, Maharashtra, Goa, Karnataka, Andhra Pradesh and Telengana. Apart from the own network, we have also undertaken Vendor Projects for around 9500 Kms. With the help of our experience in the telecommunication sector and the increase in the digital India initiative, we focus on the identification of those networks where the Telecom companies want to operate but avoid executing routes due to local resistance or financial or other feasibility. By identifying such areas, we can undertake the work of fibre laying in those places which will increase our network coverage. The network so developed can be provided to the telecom operators on lease or sale on IRU basis.

### *2. Expand into business areas that create synergies with our current business*

While our primary focus is on development and execution of projects for the Telecom operators, as a part of our business growth strategy, we have also diversified in executing laying of Gas pipeline projects and our Company is currently undertaking laying of gas pipeline project in the state of Maharashtra undertaken through our sub contractors assigned to us by Mahanagar Gas Limited. The work of our gas pipelines have been entrusted to us based on our past record in the laying of cable for the Telecom companies. We seek to capitalize on such opportunities in new functional areas of infrastructure development by leveraging on our established project execution track record in our business. As part of our business growth strategy, we intend to diversify into, and shall consider bidding for similar projects. We are also planning to expand through our Subsidiary company into the business of ISP which could create synergies with our current business where we own the fibre network which can be used by our subsidiary.

In order to create synergies of operation, we seek to expand in businesses that require execution skills that are similar to our current business and allow us to leverage our past experience and maximize the use of our manpower and equipment. We believe that with the increase in digitalization and building smart city projects we can expand our business in telecom infrastructure sector and similar business. By such expansion, we can take the benefit of leveraging our capabilities and gain economies of scale in operations and minimize our cost and maximize the profitability.

### *3. Augment customer relationships*

Majority of our customers are telecom, ISP and cable operators, all the customer procure fibre or duct from us either on lease or sale on IRU basis. We also undertake the work of fibre laying for our clients as contractors. By the expertise of our liasoning and maintenance team we are able to sustain a strong and uninterrupted fibre network which is preferred by the customers. This is also possible due to the quality of the work executed by the project team. We intend to further develop our long-standing customer relationships by providing such high quality services with the same amount of dedication as we have done in the past. Through our robust systems and capable project management teams, we intend to closely monitor client satisfaction and be responsive to their evolving needs and requirements.

We believe that completing our customers' projects in a timely manner and delivering the work with the desired standards of quality which is the most effective manner in which we can develop and maintain strong relationships with our customers retain them and get repeated business from them. Thus, we intend to strive to exceed client expectations during every stage of the project life cycle. Over the years, the scale and complexity of our projects has gradually increased and we seek to continue to focus on projects with higher contract value.

Going forth, we intend to actively access such leverage opportunities to bid for larger and more prestigious projects, with opportunities for potentially higher margins.

#### 4. *Enhance our project execution capabilities*

We intend to continue to focus on enhancing our project execution capabilities. We believe that this continued focus will help us improve our operating capabilities which will help us in timely completion of the projects and within the estimated time and cost, this will again help us to improve our margins and simultaneously enhance our reputation amongst our existing as well as new customers. Further, we intend to leverage our existing equipments and employee strength by utilizing advanced tools and skilled manpower so as to increase productivity and maximize asset utilization in our projects. We intend to continue to optimize our internal management systems to optimize operating margins and reduce overhead costs.

We believe that investment in technology and systems makes us more efficient and responsive while executing projects, while modern equipment ensures continuous and timely availability of equipment critical to our business, both of which help in make our operations cost effective in the long run. While we believe that we have developed a reputation for undertaking challenging and diverse projects in a timely manner, our ability to effectively manage and complete projects and meet client expectations will be crucial to our continued growth and success. We intend to grow our execution capabilities by strengthening our human capital and attracting professionals, and nurturing their growth within our organization.

#### 5. *Continue to focus on strengthening the goodwill of our name*

Over the past years, on account of our speed of execution, quality of work performed and maintenance of the laid network, we have created our goodwill among the Telecom Operators. We have our own ROW team across the states which help us as well as the telecom operators to get the required permissions in a simpler and faster way. Our project team by using modern equipments and efficient labour manpower completes the project with superior quality and within the required timeframe. We believe that these factors have helped us in building our name among our customers. We continue to be more committed to our project execution process which has enabled us to deliver the projects to the customer's with the desired quality and timely delivery. Further, with our dedicated team which looks after the cable and the duct for any cuts or damages which are repaired on regular basis we intend to provide the clients with an uninterrupted signal, proper flow of signal and no down-time. We also protect the cable and ensure that it is properly shifted to safer location where there are extensive expansions is going on.

### **Business operations**

Our business operations can be briefly classified under the below mentioned three heads:

#### **1. Project Execution for Telecom operators (Vendor Projects)**

Project Execution for Telecom operators involves solely working for the Telecom operators as contractors. The Telecom companies based on their requirement notify the area where they require the Fibre network. Once this area is notified the telecom operators assign the projects and their requirements to us. On receiving the Project, we initiate the work of procuring the ROW permissions for the operators. On receiving the permission, we start executing the projects. The fibre is laid in the allowable ROW limits from the centre of the road and available land width. The depth of the trench and the protection material is based on the specifications given by the respective telecom operator. The entire activity is done with the assistance of labour and/ or machinery. The activity is done simultaneously on multiple routes across the areas. Once the fibre laying is complete the same is first tested by the project team and then acceptance testing is done by the operators (Acceptance Testing Team) for whom the project is executed. After such testing the network ,ROW documents are handed over to the Telecom operator.

#### **2. Laying fiber under IP-I License (IP-I)**



Under the Infrastructure Providers Category I (IP-I) License, our company can establish and maintain the assets such as Dark Fibres, Right of Way and Duct Space for the purpose to grant on lease/rent/sale on IRU basis to the licensees of Telecom Services providers and other vendors on mutually agreed terms and conditions. Under the IP-1 License, we have developed our own network of around 7500 kms during the last 5 years. With our experience in telecom for the last decade, we understand the telecom market and the requirement of the Telecom companies where they want the infrastructure to be built. We identify such strategic routes where the operators don't have their presence and build our network there. This network is then leased to telecom operators either by duct lease or by fibre lease. In some cases, where the telecom operators are unable to build network by their own on particular routes due to constraints like: High ROW Challenges, overall project cost viability, Local issues etc. they ask us to execute the route. In such case we execute the route either on our own but the requisite permission for the route is on our name. Once the execution is completed the network is then leased to the telecom operator.

For the projects executed under the IP-1 License, the right to use the network is given to the vendors on irrefutable basis for a specific period of time as agreed between the company and the vendors and the ultimate ownership of the network is with our company.

### **3. Operations & Maintenance (O&M)**

Our Company also undertake the operations & maintenance activity for the telecom operators and of the leased fiber maintained under IP-1 License. Operation & Maintenance activities involves deploying manpower and tools required for maintenance such as splicing machine, rodometre, OTDR machine etc. to monitor the route of the operator and preventing the underground optic fiber therein from getting damaged due to activities like road repairs, digging and expansion works by various authorities. For the fibre laid by us either as vendor project or on own account under IP-1 license we are preferred for the operation and maintenance of the same as our team is aware of the exact position of the fibre laid.

The key focus under the operation and maintenance activity is the early identification of the faults and undertake the repair activities in a timely manner in order to minimize the network downtime. We ensure that in case of any cuts, we splice the fibre within the MTTR given by the respective telecom operators. Our strength is to maintain the MTTR and the SLA of the respective telecom operator.

## SUMMARY OF FINANCIAL INFORMATION

The following tables set forth summary financial information derived from the Restated Financial Information of our Company. The summary financial information presented below has been prepared for Fiscal 2018, Fiscal 2017, and Fiscal 2016 taking Ind AS as the base, and for Fiscal 2015 and Fiscal 2014 taking Indian GAAP as the base as well as the Companies Act, and restated in accordance with the SEBI ICDR Regulations, and are presented in the section “Financial Statements” on page 159 of this Red Herring Prospectus.

The summary financial information presented below should be read in conjunction with the Restated Financial Information, and notes thereto, and “Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 159 and 371, respectively.

## RESTATED CONSOLIDATED STATEMENT OF ASSETS & LIABILITIES

(Rs. in million)

Particulars	As At		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Property, Plant and Equipment	689.81	677.51	500.23
(b) Capital Work-in-Progress	462.33	35.64	64.61
(c) Intangible Assets	3.82	0.40	0.73
(d) Financial Assets			
(i) Trade Receivables	59.95	93.81	69.02
(ii) Investments	1.29	0.01	0.01
(iii) Loans			
(iv) Other financial assets	293.41	163.59	115.57
(e) Other non-current assets	47.66	59.91	116.46
<b>Current Assets</b>			
(a) Inventories	174.98	0.00	0.00
(b) Financial Assets			
(i) Investments			
(ii) Trade receivables	821.03	475.75	238.18
(iii) Cash and cash equivalents	5.87	136.19	5.41
(iv) Bank balances other than (iii) above	1.31	12.01	3.96
(v) Loans	0.17	0.43	0.13
(vi) Others current financial assets	1503.55	281.94	243.43
(c) Current Tax Asset (Net)			
(d) Other Current Assets	114.17	43.23	39.46
<b>Total Assets</b>	<b>4179.36</b>	<b>1980.42</b>	<b>1397.20</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	295.00	2.50	2.50
(b) Other Equity	784.85	459.00	287.32
(c) Non-Controlling Interest	2.07		
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	94.25	96.39	36.21
(ii) Other financial liabilities			
(b) Provisions	2.83	3.66	2.33

(c)	Deferred tax Liabilities (Net)	10.44	6.04	5.17
(d)	Other Non-Current Liabilities	1047.20	787.89	464.80
<b>Current Liabilities</b>				
(a)	<b>Financial Liabilities</b>			
	(i) Borrowings	166.99	0.00	78.38
	(ii) Trade payables			
	(a) total outstanding dues of micro enterprises and small enterprises; and			
	(b) total outstanding dues of creditors other than micro enterprises and small enterprises.	1367.29	436.97	376.33
	(iii) Other Financial Liabilities	40.65	53.68	75.05
(b)	Other Current Liabilities	163.13	128.28	68.95
(c)	Provisions	1.35	0.22	0.15
(d)	Current Tax Liabilities	203.31	5.80	0.00
<b>Total Equity and Liabilities</b>		<b>4179.36</b>	<b>1980.42</b>	<b>1397.20</b>

## RESTATED CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(Rs. in million)

	Particulars	For the Year ended		
		31-03-2018	31-03-2017	31-03-2016 (Proforma)
<b>I</b>	Revenue from Operations	3021.73	1692.32	1222.53
<b>II</b>	Other Incomes	6.05	6.80	2.49
<b>III</b>	<b>Total Income (I+II)</b>	<b>3027.78</b>	<b>1699.11</b>	<b>1225.02</b>
<b>IV</b>	<b>Expenses:</b>			
	Operational Expenses	1540.96	1036.35	749.57
	Cost of Raw Material Consumed	388.27	73.33	93.53
	Changes in Inventories of Raw Material and work-in-progress	-174.98	0.00	26.85
	Employee Benefits Expenses	86.40	68.87	38.08
	Finance Costs	19.87	27.81	20.65
	Depreciation And Amortization Expense	112.94	97.26	61.82
	Administrative and Other Expenses	101.43	57.10	37.04
	<b>Total Expenses (IV)</b>	<b>2074.89</b>	<b>1360.72</b>	<b>1027.55</b>
<b>V</b>	<b>Profit before exceptional items, share of net profits of investments accounted for using equity method and tax (III-IV)</b>	<b>952.89</b>	<b>338.39</b>	<b>197.47</b>
<b>VI</b>	<b>Share of Net Profit of Associates accounted for using equity method</b>	<b>-0.61</b>	<b>0.00</b>	<b>0.00</b>
<b>VII</b>	<b>Profit/(loss) before exceptional items and tax (V-VI)</b>	<b>952.27</b>	<b>338.39</b>	<b>197.47</b>
<b>VIII</b>	Exceptional Items	1.12	0.42	0.35
<b>IX</b>	<b>Profit/(loss) before tax (VII-VIII)</b>	<b>951.15</b>	<b>337.97</b>	<b>197.13</b>
<b>X</b>	.			
	- Current Tax	330.23	116.63	66.22
	- Deferred Tax Liability / (Asset)	3.86	0.98	2.02
	Interest on Income Tax	0.06	0.32	0.00
<b>XI</b>	<b>Restated profit/(loss) after tax for the period from continuing operations</b>	<b>616.99</b>	<b>220.04</b>	<b>128.89</b>
	<b>Profit/(loss) from continuing operations attributable to:</b>			
	Owners of the parent	617.32		
	Non-controlling interest	-0.33		
<b>XII</b>	<b>Other Comprehensive Income</b>			
	(i) Items that will not be reclassified to profit or loss			
	Fair value gain loss on Investments			
	Remeasurement gain/loss on defined benefit obligation	1.56	-0.33	0.13
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-0.54	0.11	-0.03
	(i) Items that will be reclassified to profit or loss			
	(ii) Income tax relating to items that will be reclassified to profit or loss			
	<b>Total Other Comprehensive Income for the Period</b>	<b>1.02</b>	<b>-0.22</b>	<b>0.09</b>
	<b>Other Comprehensive Income for the year attributable to</b>			
	Owners of the parent	1.02		
	Non-controlling interest	0.00		
<b>XIII</b>	<b>Total Comprehensive Income for the period (XI+XII)</b>	<b>618.01</b>	<b>219.82</b>	<b>128.98</b>
	<b>Total Comprehensive Income for the period</b>			

	<b>attributable to:</b>			
	<b>Owners of the parent</b>	<b>618.34</b>	<b>0.00</b>	<b>0.00</b>
	<b>Non-controlling interest</b>	<b>-0.33</b>	<b>0.00</b>	<b>0.00</b>
<b>XIV</b>	Profit/ (Loss) from Discontinuing operation	0.00	0.00	0.00
<b>XV</b>	Tax expenses of discontinuing operations	0.00	0.00	0.00
<b>XVI</b>	<b>Restated Profit/(loss) for the period</b>	<b>618.01</b>	<b>219.82</b>	<b>128.98</b>
<b>XVII</b>	<b>Earning per equity share:</b>			
	<b>(1) Basic (In Rs.)</b>	<b>20.95</b>	<b>7.45</b>	<b>4.37</b>
	<b>(2) Diluted (In Rs.)</b>	<b>20.95</b>	<b>7.45</b>	<b>4.37</b>
	<b>Pre-Operating profit before tax</b>	<b>966.70</b>	<b>359.40</b>	<b>215.64</b>

## RESTATED CONSOLIDATED STATEMENT OF CASH FLOWS

(Rs. in million)

Particulars	For the Year ended		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net Profit before tax	<b>951.15</b>	<b>337.97</b>	<b>197.13</b>
Adjustment for :			
Less: Interest on Fixed Deposit	-4.85	-5.82	-2.49
Less: Loss on Sale of Fixed Assets	0.00	-0.83	0.00
Add: Depreciation	112.94	97.26	61.82
Add: Remeasurement Gain/Loss on defined benefit plan	1.56	-0.33	0.13
Add: Interest on Borrowed Fund & Finance Charges	19.87	27.81	20.65
<b>Operating profit before working capital changes</b>	<b>1080.66</b>	<b>456.06</b>	<b>277.25</b>
Adjustment for :			
(Increase)/Decrease in Inventories	-174.98	0.00	26.85
(Increase)/Decrease in Trade Receivables	-311.42	-262.36	-69.14
Decrease/(Increase) in Current Loans	0.25	-0.29	-0.09
(Increase)/Decrease in Other Current Assets	-70.95	-3.76	-3.01
(Increase)/Decrease in Other Non Current Assets	12.26	56.55	-92.42
(Increase)/Decrease in other non current financial asset	-129.82	-48.02	-18.41
Decrease/(Increase) in other current financial assets	-1221.60	-38.51	-243.42
Decrease/(Increase) in bank balance other than cash and cash equivalent	10.70	-8.05	-3.96
Increase/(Decrease) in Trade Payables	930.32	60.64	262.05
(Decrease)/Increase in Non-Current Provisions	-0.84	1.33	0.73
Increase/(Decrease) in Other Current Liabilities	34.86	59.32	6.40
(Decrease)/Increase in other current financial liabilities	-13.03	-15.27	53.60
Increase/(Decrease) in Other Non Current Liabilities	259.31	323.09	157.52
(Decrease)/Increase in Current Provisions	1.13	0.07	0.04
	<b>-673.80</b>	<b>124.73</b>	<b>76.74</b>
<b>Cash generated from / (used in) operations</b>	<b>406.86</b>	<b>580.79</b>	<b>353.98</b>
Income Tax Paid/(refund)	132.78	111.16	66.22
<b>Net cash generated from/(used in) operating activities - (A)</b>	<b>274.08</b>	<b>469.63</b>	<b>287.76</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Addition in Property, plant & equipment (PPE)	-128.67	-279.80	-230.54
Increase in Capital Work-in-Progress	-426.69	28.96	-39.67
Sale of Fixed Assets	0.00	6.41	0.00
Interest Income on Fixed Deposit	4.85	5.82	2.49
Increase/Decrease in Current Investments	0.00	0.00	0.00
Increase in non-current investments	-1.28	0.00	0.00
<b>Net cash (used in) Investing Activities - (B)</b>	<b>-551.78</b>	<b>-238.60</b>	<b>-267.73</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Increase/(Decrease) in Investments in Minority Interest	2.40		
Receipts from Increase of Share Capital	0.00	0.00	0.00
Payment of Dividends	0.00	-40.00	-30.00
Payment of Dividend Distribution tax	0.00	-14.25	0.00
(Decrease)/Increase in Non-Current Borrowings	-2.14	60.18	4.48
(Decrease)/Increase in Current Borrowings	166.99	-78.38	
Interest & Finance Charges	-19.87	-27.81	-20.65
<b>Net cash(used in) / from financing activities - (C)</b>	<b>147.38</b>	<b>-100.25</b>	<b>-43.78</b>



Net Increase/(decrease) in Cash & Cash Equivalents (A+B+C)	-130.31	130.78	-23.75
Cash and cash equivalents at the beginning of the year	136.19	5.41	29.16
<b>Cash and cash equivalents at the end of the year</b>	<b>5.87</b>	<b>136.19</b>	<b>5.41</b>
Cash and cash equivalents at the end of year comprises :			
1. Components of cash and cash equivalents:			
<b>Particulars</b>	<b>March 31, 2018</b>	<b>March 31, 2017</b>	<b>March 31, 2016 (Proforma)</b>
Cash on hand	2.74	1.85	0.09
Balances with scheduled banks:			
In current accounts	3.13	134.34	5.32
<b>Total Cash and cash equivalents</b>	<b>5.87</b>	<b>136.19</b>	<b>5.41</b>

**RESTATED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES****(Rs. in million)**

<b>Particulars</b>	<b>As At</b>
	<b>31-03-2015</b>
<b>I. EQUITY AND LIABILITIES</b>	
<b>Shareholder's Funds</b>	
Share Capital	2.50
Reserves and Surplus (excl. Revaluation Reserves, if any)	194.43
Money received against share warrants	0.00
Minority Interest	
<b>Non-Current Liabilities</b>	
Long-term Borrowings	31.73
Deferred tax liabilities (Net)	3.12
Other Long Term Liabilities	307.28
Long-term Provisions	1.60
<b>Current Liabilities</b>	
Short-term Borrowings	69.87
Trade Payables	114.28
Other Current Liabilities	83.68
Short-term Provisions	0.45
<b>Total</b>	<b>808.94</b>
<b>II. ASSETS</b>	
<b>Non-Current Assets</b>	
Fixed assets	
(i) Tangible Assets	331.98
(ii) Intangible Assets	0.24
(iii) Capital Work-In-Progress	24.93
(iv) Intangible Assets Under Development	0.00
Non-Current Investments	0.01
Deferred Tax Assets (Net)	
Long-term Loans and Advances	91.14
Other Non-Current Assets	
<b>Current Assets</b>	
Current Investments	
Inventories	26.85
Trade Receivables	238.06
Cash and Cash Equivalents	59.22
Short-term Loans and Advances	36.50
Other Current Assets	0.00
<b>Total</b>	<b>808.94</b>

**RESTATED CONSOLIDATED STATEMENT OF PROFIT AND LOSS****(Rs. in million)**

	<b>Particulars</b>	<b>For the Year ended</b>
		<b>31-03-2015</b>
<b>I</b>	Revenue from Operations	508.88
<b>II</b>	Other Incomes	2.67
<b>III</b>	<b>Total Income (I+II)</b>	<b>511.55</b>
	<b>Expenses:</b>	
	Operational Expenses	283.71
	Purchase of Stock-in-Trade	31.26
	Changes in Inventories of finished goods, Stock-in-Trade and work-in-progress	-0.10
	Employee Benefits Expenses	23.77
	Finance Costs	16.03
	Depreciation And Amortization Expense	41.01
	Administrative and Other Expenses	15.64
	<b>Total Expenses (IV)</b>	<b>411.30</b>
<b>V</b>	Profit/(loss) before exceptional items and tax (I-IV)	100.25
<b>VI</b>	Exceptional Items	0.00
<b>VII</b>	<b>Profit/(loss) before tax (V-VI)</b>	<b>100.25</b>
<b>VIII</b>	<b>Tax Expense</b>	
	- Current Tax	30.39
	- Deferred Tax Liability / (Asset)	0.37
	Interest on Income Tax	0.00
<b>IX</b>	<b>Restated profit/(loss) after tax for the period from continuing operations</b>	<b>69.49</b>
<b>X</b>	Share of Profits in Associates	-0.50
<b>XI</b>	Minority Interest	0.00
<b>XII</b>	<b>Restated Profit/(loss) for the period</b>	<b>68.99</b>
	<b>Pre-operating profit after tax</b>	<b>113.61</b>

## RESTATED CONSOLIDATED CASH FLOW STATEMENT

(Rs. in million)

Particulars	For the Year ended
	31-03-2015
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	
Net Profit before tax	100.25
Adjustment for :	
Less: Interest on Fixed Deposit	-2.56
Less: Loss on Sale of Fixed Assets	0.00
Add: Provision for Interest Expenses	0.31
Add: Depreciation	41.01
Add: Provision of Gratuity	0.69
Add: Provision for Leave Encashment	0.20
Add: Interest on Borrowed Fund & Finance Charges	12.04
<b>Operating profit before working capital changes</b>	<b>151.93</b>
Adjustment for :	
(Increase)/Decrease in Inventories	-0.10
(Increase)/Decrease in Trade Receivables	-150.82
(Increase)/Decrease in Short Term loans and advances	-26.74
(Increase)/Decrease in Other Current Assets	0.00
Increase/(Decrease) in Trade Payables	72.19
Increase/(Decrease) in Short Term Borrowings	6.41
Increase/(Decrease) in Other Current Liabilities	21.58
Increase/(Decrease) in Short Term Provisions	0.00
	<b>-77.49</b>
<b>Cash generated from / (used in) operations</b>	<b>74.44</b>
Income Tax Paid/(refund)	14.08
<b>Net cash generated from/(used in) operating activities - (A)</b>	<b>60.36</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>	
Purchase of Fixed Assets	-179.65
Increase in Capital Work-in-Progress	-22.32
Sale of Fixed Assets	0.00
Interest Income on Fixed Deposit	2.56
Increase/Decrease in Current Investments	0.00
Increase in non-current investments	-0.50
Increase /Decrease in Fixed Deposits against Margin Money	-5.83
(Increase)/Decrease in Long Term Loans and Advances	-0.62
<b>Net cash (used in) Investing Activities - (B)</b>	<b>-206.36</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	
Receipts from Increase of Share Capital	0.00
Payment of Dividends	0.00
Payment of Dividend Distribution tax	0.00
Repayment of Long Term Borrowings	17.06
Increase/Decrease in Long Term Liabilities	168.94
Interest & Finance Charges	-12.04
<b>Net cash(used in) / from financing activities - (C)</b>	<b>173.96</b>
Net Increase/(decrease) in Cash & Cash Equivalents (A+B+C)	27.96
Cash and cash equivalents at the beginning of the year	1.20
<b>Cash and cash equivalents at the end of the year</b>	<b>29.16</b>
Cash and cash equivalents at the end of year comprises :	
1. Components of cash and cash equivalents:	
<b>Particulars</b>	<b>31-03-2015</b>
Cash on hand	4.97

Balances with scheduled banks:	
In current accounts	24.19
<b>Total Cash and cash equivalents</b>	<b>29.16</b>

**RESTATED STANDALONE STATEMENT OF ASSETS & LIABILITIES**

(Rs. in million)

Particulars		As At		
		31-03-2018	31-03-2017	31-03- 2016 (Proforma)
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
(a)	Property, Plant and Equipment	689.81	677.51	500.23
(b)	Capital Work-in-Progress	462.33	35.64	64.61
(c)	Intangible Assets	0.83	0.40	0.73
(d)	Financial Assets			
	(i) Trade Receivables	59.95	93.81	69.02
	(ii) Investments	5.01	0.51	0.51
	(iii) Loans			
	(iv) Other financial assets	293.41	163.59	115.57
(e)	Other non-current assets	47.66	59.91	116.46
<b>Current Assets</b>				
(a)	Inventories	174.98	0.00	0.00
(b)	Financial Assets			
	(i) Investments	0.00	0.00	0.00
	(ii) Trade receivables	821.03	475.75	238.18
	(iii) Cash and cash equivalents	4.72	136.19	5.41
	(iv) Bank balances other than (iii) above	1.31	12.01	3.96
	(v) Loans	0.17	0.43	0.13
	(vi) Others current financial assets	1503.55	281.94	243.43
(c)	Current Tax Asset (Net)	821.03	475.75	238.18
(d)	Other Current Assets	113.32	43.23	39.46
<b>Total Assets</b>		<b>4178.08</b>	<b>1980.92</b>	<b>1397.70</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a)	Equity Share Capital	295.00	2.50	2.50
(b)	Other Equity	786.32	459.503	287.82
<b>LIABILITIES</b>				
<b>Non-Current Liabilities</b>				
(a)	Financial Liabilities			
	(i) Borrowings	94.25	96.392	36.21
	(ii) Other financial liabilities			
(b)	Provisions	2.83	3.662	2.33
(c)	Deferred tax Liabilities (Net)	10.34	6.037	5.17
(d)	Other Non-Current Liabilities	1047.20	787.89	464.80
<b>Current Liabilities</b>				
(a)	Financial Liabilities			
	(i) Borrowings	166.99	0.00	78.38
	(ii) Trade payables			
	(a) total outstanding dues of micro enterprises and small enterprises; and			
	(b) total outstanding dues of creditors other than micro enterprises and small enterprises.	1367.26	436.97	376.33
	(iii) Other Financial Liabilities	40.64	53.68	75.05
(b)	Other Current Liabilities	162.59	128.28	68.95
(c)	Provisions	1.35	0.22	0.15



(d)	Current Tax Liabilities	203.31	5.80	0.00
<b>Total Equity and Liabilities</b>		<b>4178.08</b>	<b>1980.92</b>	<b>1397.70</b>

**RESTATED STANDALONE STATEMENT OF PROFIT AND LOSS****(Rs. in million)**

	Particulars	As At		
		31-03-2018	31-03-2017	31-03- 2016 (Proforma)
<b>I</b>	Revenue from Operations	3021.73	1692.32	1222.53
<b>II</b>	Other Incomes	6.05	6.80	2.49
<b>III</b>	<b>Total Income (I+II)</b>	<b>3027.78</b>	<b>1699.11</b>	<b>1225.02</b>
<b>IV</b>	<b>Expenses:</b>			
	Operational Expenses	1540.96	1036.35	749.57
	Cost of Raw Material Consumed	388.27	73.33	93.53
	Changes in Inventories of Raw Material and work-in-progress	-174.98	0.00	26.85
	Employee Benefits Expenses	86.40	68.87	38.08
	Finance Costs	19.87	27.81	20.65
	Depreciation And Amortization Expense	112.89	97.26	61.82
	Administrative and Other Expenses	100.89	57.10	37.04
	<b>Total Expenses (IV)</b>	<b>2074.30</b>	<b>1360.72</b>	<b>1027.55</b>
<b>V</b>	Profit/(loss) before exceptional items and tax (I-IV)	953.48	338.39	197.47
<b>VI</b>	Exceptional Items	1.12	0.42	0.35
<b>VII</b>	<b>Profit/(loss) before tax (V-VI)</b>	<b>952.35</b>	<b>337.97</b>	<b>197.13</b>
<b>VIII</b>	<b>Tax Expense</b>			
	- Current Tax	330.23	116.63	66.22
	- Deferred Tax Liability / (Asset)	3.76	0.98	2.02
	Interest on Income Tax	0.06	0.32	0.00
<b>IX</b>	<b>Restated profit/(loss) after tax for the period from continuing operations</b>	<b>618.30</b>	<b>220.04</b>	<b>128.89</b>
<b>X</b>	<b>Other Comprehensive Income</b>			
	(i) Items that will not be reclassified to profit or loss			
	Fair value gain loss on Investments			
	Re measurement gain/loss on defined benefit obligation	<b>1.56</b>	<b>-0.33</b>	<b>0.13</b>
	(ii) Income tax relating to items that will not be reclassified to profit or loss	<b>-0.54</b>	<b>0.11</b>	<b>-0.03</b>
	(i) Items that will be reclassified to profit or loss			
	(ii) Income tax relating to items that will be reclassified to profit or loss			
	Total Other Comprehensive Income for the Period	<b>1.02</b>	<b>-0.22</b>	<b>0.09</b>
<b>XI</b>	<b>Total Comprehensive Income for the period (IX+X)</b>	<b>619.32</b>	<b>219.82</b>	<b>128.98</b>
<b>XII</b>	Profit/ (Loss) from Discontinuing operation	0.00	0.00	0.00
<b>XIII</b>	Tax expenses of discontinuing operations	0.00	0.00	0.00
<b>XIV</b>	<b>Restated Profit/(loss) for the period</b>	<b>619.32</b>	<b>219.82</b>	<b>128.98</b>
<b>V</b>	<b>Earning per equity share:</b>			
	(1) Basic (In Rs.)	20.99	7.45	4.37
	(2) Diluted (In Rs.)	20.99	7.45	4.37
	Pre-operating Profit after Tax	967.29	359.40	215.64

**RESTATED CASH FLOW STATEMENT****(Rs. in million)**

Particulars	As At		
	31-03-2018	31-03-2017	31-03- 2016 (Proforma)
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net Profit before tax	<b>952.35</b>	<b>337.97</b>	<b>197.13</b>
Adjustment for :			
Less: Interest on Fixed Deposit	-4.85	-5.82	-2.49
Less: Loss on Sale of Fixed Assets	0.00	-0.83	0.00
Add: Depreciation	112.89	97.26	61.82
Add: Provision of Gratuity	1.56	-0.33	0.13
Add: Provision for Leave Encashment			
Add: Interest on Borrowed Fund & Finance Charges	19.87	27.81	20.65
<b>Operating profit before working capital changes</b>	<b>1081.81</b>	<b>456.06</b>	<b>277.25</b>
Adjustment for :			
(Increase)/Decrease in Inventories	-174.98	0.00	26.85
(Increase)/Decrease in Trade Receivables	-311.42	-262.36	-69.14
Decrease/(Increase) in Current Loans	0.25	-0.29	-0.09
(Increase)/Decrease in Other Current Assets	-70.09	-3.76	-3.01
(Increase)/Decrease in Other Non Current Assets	12.26	56.55	-92.42
(Increase)/Decrease in other non current financial asset	-129.82	-48.02	-18.41
Decrease/(Increase) in other current financial assets	-1221.60	-38.51	-243.43
Decrease/(Increase) in bank balance other than cash and cash equivalent	10.70	-8.05	-3.96
Increase/(Decrease) in Trade Payables	930.29	60.64	262.05
(Decrease)/Increase in Non-Current Provisions	-0.84	1.33	0.73
Increase/(Decrease) in Other Current Liabilities	34.31	59.32	6.40
(Decrease)/Increase in other current financial liabilities	-13.04	-15.27	53.60
Increase/(Decrease) in Other Non Current Liabilities	259.31	323.09	157.52
(Decrease)/Increase in Current Provisions	1.13	0.07	0.04
	<b>-673.53</b>	<b>124.73</b>	<b>76.74</b>
<b>Cash generated from / (used in) operations</b>	<b>408.28</b>	<b>580.79</b>	<b>353.98</b>
Income Tax Paid/(refund)	132.78	111.16	66.22
<b>Net cash generated from/(used in) operating activities - (A)</b>	<b>275.50</b>	<b>469.63</b>	<b>287.76</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Addition in Property, plant & equipment (PPE)	-125.62	-279.80	-230.54
Increase in Capital Work-in-Progress	-426.69	28.96	-39.67
Sale of Fixed Assets	0.00	6.41	0.00
Interest Income on Fixed Deposit	4.85	5.82	2.49
Increase/Decrease in Current Investments	0.00	0.00	0.00
Increase in non-current investments	-4.49	0.00	0.00
<b>Net cash (used in) Investing Activities - (B)</b>	<b>-551.95</b>	<b>-238.60</b>	<b>-267.73</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Receipts from Increase of Share Capital	0.00	0.00	0.00
Payment of Dividends	0.00	-40.00	-30.00

Payment of Dividend Distribution tax	0.00	-14.25	-6.11
(Decrease)/Increase in Non-Current Borrowings	-2.14	60.18	4.48
(Decrease)/Increase in Current Borrowings	166.99	-78.38	8.50
Interest & Finance Charges	-19.87	-27.81	-20.65
<b>Net cash(used in) / from financing activities - (C)</b>	<b>144.98</b>	<b>-100.25</b>	<b>-43.78</b>
Net Increase/(decrease) in Cash & Cash Equivalents (A+B+C)	-131.46	130.78	-23.75
Cash and cash equivalents at the beginning of the year	136.19	5.41	29.16
<b>Cash and cash equivalents at the end of the year</b>	<b>4.72</b>	<b>136.19</b>	<b>5.41</b>
Cash and cash equivalents at the end of year comprises :			
1. Components of cash and cash equivalents:			
<b>Particulars</b>	<b>31-03-2018</b>	<b>31-03-2017</b>	<b>31-03- 2016 (Proforma)</b>
Cash on hand	2.74	1.85	0.09
Balances with scheduled banks:			
In current accounts	1.99	134.34	5.32
<b>Total Cash and cash equivalents</b>	<b>4.72</b>	<b>136.19</b>	<b>5.41</b>

**RESTATED STANDALONE STATEMENT OF ASSETS AND LIABILITIES****(Rs. in million)**

Particulars	As At	
	31-03-15	31-03-14
<b>I. EQUITY AND LIABILITIES</b>		
<b>Shareholder's Funds</b>		
Share Capital	2.50	2.50
Reserves and Surplus (excluding Revaluation Reserves, if any)	194.93	125.57
Money received against share warrants	0.00	0.00
<b>Share Application Money Pending Allotment</b>		
<b>Non Current Liabilities</b>		
Long-term Borrowings	31.73	14.68
Deferred tax liabilities (Net)	3.12	2.75
Other Long Term Liabilities	307.28	138.34
Long-term Provisions	1.60	0.78
<b>Current Liabilities</b>		
Short-term Borrowings	69.87	63.46
Trade Payables	114.28	42.10
Other Current Liabilities	83.68	62.10
Short-term Provisions	0.45	0.07
<b>Total</b>	<b>809.44</b>	<b>452.35</b>
<b>II. ASSETS</b>		
<b>Non Current Assets</b>		
Fixed assets		
(i) Tangible Assets	331.98	193.70
(ii) Intangible Assets	0.24	0.00
(iii) Capital Work-In-Progress	24.93	2.61
(iv) Intangible Assets Under Development	0.00	0.00
Non Current Investments	0.51	0.01
Deferred Tax Assets (Net)		
Long-term Loans and Advances	91.14	90.53
Other Non Current Assets		
<b>Current Assets</b>		
Current Investments		
Inventories	26.85	26.75
Trade Receivables	238.06	87.24
Cash and Cash Equivalents	59.22	25.43
Short-term Loans and Advances	36.50	26.08
Other Current Assets	0.00	0.00
<b>Total</b>	<b>809.44</b>	<b>452.35</b>

**RESTATED STANDALONE STATEMENT OF PROFIT AND LOSS****(Rs. in million)**

	Particulars	For the Year ended	
		31-03-15	31-03-14
<b>I</b>	Revenue from Operations	508.88	237.61
<b>II</b>	Other Incomes	2.67	1.89
<b>III</b>	<b>Total Income (I+II)</b>	<b>511.55</b>	<b>239.50</b>
	<b>Expenses:</b>		
	Operational Expenses	283.71	131.13
	Purchase of Stock-in-Trade	31.26	13.61
	Changes in Inventories of finished goods, Stock-in-Trade and work-in-progress	-0.10	-20.20
	Employee Benefits Expenses	23.77	16.17
	Finance Costs	16.03	14.35
	Depreciation And Amortization Expense	41.01	22.59
	Administrative and Other Expenses	15.64	16.21
<b>IV</b>	<b>Total Expenses (IV)</b>	<b>411.30</b>	<b>193.88</b>
<b>V</b>	Profit/(loss) before exceptional items and tax (I-IV)	100.25	45.63
<b>VI</b>	Exceptional Items	0.00	0.00
<b>VII</b>	<b>Profit/(loss) before tax (V-VI)</b>	<b>100.25</b>	<b>45.63</b>
<b>VIII</b>	<b>Tax Expense</b>		
	- Current Tax	30.39	14.08
	- Deferred Tax Liability / (Asset)	0.37	1.08
	Interest on Income Tax	0.00	0.00
<b>IX</b>	<b>Restated profit/(loss) after tax for the period from continuing operations</b>	<b>69.49</b>	<b>30.47</b>
<b>X</b>	Profit/ (Loss) from Discontinuing operation	0.00	0.00
<b>XI</b>	Tax expenses of discontinuing operations	0.00	0.00
<b>XII</b>	<b>Restated Profit/(loss) for the period</b>	<b>69.49</b>	<b>30.47</b>
	<b>Pre-operating profit after tax</b>	<b>113.61</b>	<b>58.09</b>



## RESTATED STANDALONE CASH FLOW STATEMENT

(Rs. in million)

Particulars	For the Year ended	
	31-03-15	31-03-14
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax	100.25	45.63
Adjustment for :		
Less: Interest on Fixed Deposit	-2.56	-1.47
Less: Loss on Sale of Fixed Assets	0.00	0.00
Add: Provision for Interest Expenses	0.31	-0.07
Add: Depreciation	41.01	22.59
Add: Provision of Gratuity	0.69	0.12
Add: Provision for Leave Encashment	0.20	0.00
Add: Interest on Borrowed Fund & Finance Charges	12.04	11.00
<b>Operating profit before working capital changes</b>	<b>151.93</b>	<b>77.80</b>
Adjustment for :		
(Increase)/Decrease in Inventories	-0.10	-20.20
(Increase)/Decrease in Trade Receivables	-150.82	85.38
(Increase)/Decrease in Short Term loans and advances	-26.74	-1.64
(Increase)/Decrease in Other Current Assets	0.00	0.06
Increase/(Decrease) in Trade Payables	72.19	-65.05
Increase/(Decrease) in Short Term Borrowings	6.41	-2.18
Increase/(Decrease) in Other Current Liabilities	21.58	19.85
Increase/(Decrease) in Short Term Provisions	0.00	0.00
	<b>-77.49</b>	<b>16.23</b>
<b>Cash generated from / (used in) operations</b>	<b>74.44</b>	<b>94.03</b>
Income Tax Paid/(refund)	14.08	13.86
<b>Net cash generated from/(used in) operating activities - (A)</b>	<b>60.36</b>	<b>80.18</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	-179.65	-72.63
Increase in Capital Work-in-Progress	-22.32	-1.35
Sale of Fixed Assets	0.00	0.00
Interest Income on Fixed Deposit	2.56	1.47
Increase/Decrease in Current Investments	0.00	0.00
Increase in non-current investments	-0.50	-0.01
Increase /Decrease in Fixed Deposits against Margin Money	-5.83	-10.42
(Increase)/Decrease in Long Term Loans and Advances	-0.62	40.44
<b>Net cash (used in) Investing Activities - (B)</b>	<b>-206.36</b>	<b>-42.51</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Receipts from Increase of Share Capital	0.00	0.00
Payment of Dividends	0.00	0.00
Payment of Dividend Distribution tax	0.00	0.00
Repayment of Long Term Borrowings	17.06	5.21
Increase/Decrease in Long Term Liabilities	168.94	-33.42
Interest & Finance Charges	-12.04	-11.00
<b>Net cash(used in) / from financing activities - (C)</b>	<b>173.96</b>	<b>-39.21</b>
Net Increase/(decrease) in Cash & Cash Equivalents (A+B+C)	27.96	-1.55
Cash and cash equivalents at the beginning of the year	1.20	2.75

<b>Cash and cash equivalents at the end of the year</b>	<b>29.16</b>	<b>1.20</b>
Cash and cash equivalents at the end of year comprises :		
1. Components of cash and cash equivalents:		
<b>Particulars</b>	<b>31-03-15</b>	<b>31-03-14</b>
Cash on hand	4.97	0.78
Balances with scheduled banks:		
In current accounts	24.19	0.42
<b>Total Cash and cash equivalents</b>	<b>29.16</b>	<b>1.20</b>

## THE ISSUE

The following table summarizes the Issue details:

Issue of Equity Shares <sup>(i)</sup>	Up to 10,000,000 Equity Shares, aggregating up to ₹ [●] million
which consists of:	
A) QIB Portion <sup>(ii)</sup>	Not more than [●] Equity Shares
of which	
Anchor Investor Portion	Not more than [●] Equity Shares
Net QIB Portion i.e. balance available for allocation to QIBs other than Anchor Investors (assuming the Anchor Investor Portion is fully subscribed)	[●] Equity Shares
of which:	
Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	[●] Equity Shares
Balance for all QIBs including Mutual Funds	[●] Equity Shares
B) Non-Institutional Portion	Not less than [●] Equity Shares
C) Retail Portion	Not less than [●] Equity Shares
<b>Pre and post-Issue Equity Shares</b>	
Equity Shares outstanding prior to the Issue	29,500,000 Equity Shares
Equity Shares outstanding after the Issue	[●] Equity Shares
<b>Use of Net Proceeds</b>	See “Objects of the Issue” beginning on page 89 of this Red Herring Prospectus for information about the use of the proceeds from the Issue.

Allocation to all categories, except the Anchor Investor Portion and the Retail Portion, if any, shall be made on a proportionate basis. For further details, see “Issue Procedure - Basis of Allotment” on page 466 of this Red Herring Prospectus.

- (i) *The Issue has been authorized by a resolution of our Board dated February 21, 2018 and a resolution of our Shareholders in their EGM dated March 19, 2018.*
- (ii) *Our Company may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the Net QIB Portion. In case of non-Allotment in the Anchor Investor Portion, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than [●] Equity Shares, the balance Equity Shares available for allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, see “Issue Procedure” beginning on page 431 of the Red Herring Prospectus. Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange.*

*For further details regarding the Issue Structure and Procedure, kindly refer to the chapters titled “Issue Structure” and “Issue Procedure” beginning on pages 426 and 431 respectively of this Red Herring Prospectus.*

## GENERAL INFORMATION

Our Company was originally incorporated as a private limited company on February 07, 2006 under the provisions of Companies Act, 1956 as “Dinesh Engineers Private Limited” vide Registration no. 159570 in Mumbai vide certificate of incorporation issued by Registrar of Companies, Maharashtra on February 7, 2006. Subsequently, our Company was converted into a public limited company pursuant to approval of the shareholders at an Extraordinary General Meeting held on November 25, 2017 and consequently, the name of our Company was changed to “Dinesh Engineers Limited” and a fresh certificate of incorporation reflecting the new name consequent upon conversion to public limited company was issued by the Registrar of Companies, Maharashtra, Mumbai on January 30, 2018. The Corporate Identity Number of our Company is U31200MH2006PLC159570.

For details of the business of our Company, please see “*Our Business*” beginning on page 113 of this Red Herring Prospectus.

## REGISTERED & CORPORATE OFFICE OF OUR COMPANY

### Dinesh Engineers Limited

DEPL House Neighbourhood Shopping Complex,  
Sector 4, Nerul, Navi Mumbai  
Maharashtra – 400706 India.  
Tel. No. 022-27704600/4700  
E-mail: [admn@depl.co.in](mailto:admn@depl.co.in)  
Website: [www.depl.co.in](http://www.depl.co.in)  
Corporate Identification Number: U31200MH2006PLC159570  
Registration Number: 159570

## ADDRESS OF REGISTRAR OF COMPANIES

### Registrar of Companies, Mumbai, Maharashtra

100, Everest, Marine Drive,  
Mumbai- 400002,  
Tel No. 022-22812627/22020295/22846954  
Email: [roc.mumbai@mca.gov.in](mailto:roc.mumbai@mca.gov.in)  
Website: [www.mca.gov.in](http://www.mca.gov.in)

## BOARD OF DIRECTORS

The Board of Directors of our Company consists of:

Name	Designation	Address	DIN
Mrs. Shashikala Dinesh Kargal	Whole Time Director	Flat No G-702, Jay Balaji CHS, Plot No. 26, Sector 6, Nerul (West), Navi Mumbai, Neru I Node III Thane 400706 Maharashtra, India.	01397286
Mr. Dinesh Kollaiah Kargal	Chairman and Managing Director	Flat No G-702, Jay Balaji CHS, Plot No. 26, Sector 6, Nerul(West), Navi Mumbai, Neru I Node III Thane 400706 Maharashtra, India.	02503787
Mr. Darshankumar Dinesh Kargal	Non Executive Director	Flat No.G-702,Jay Balaji CHS, Plot no 26, Sector 6,Nerul (W), Navi Mumbai 400706,Maharashtra, India.	07727278
Mr. Chandrashekhar Joshi	Independent Director	Block No 501, Vilas Apartment, NR Sai Avaneue, Navghar, Mulund, Mumbai-400 087, Maharashtra, India	07767416
Mr. Showraiah Lourde	Independent Director	Flat No.206, A- Wing Dorabjee	08006508

Kakumanu		Paradise, Mohammad Wadi Road, Adjacent Vibgyor School NIBM, Pune-411060, Maharashtra, India.	
Mr. Navin Kumar Jain	Independent Director	C/1301 and 2, Neelsidhi Atlantis, Sector- 19 A, Plot No 49/1, Nerul East, Navi Mumbai, Thane 400706, Maharashtra, India	07763257

For further details of the Directors of our Company, please refer to the chapter titled “*Our Management*” beginning on page 137 of this Red Herring Prospectus.

## COMPANY SECRETARY AND COMPLIANCE OFFICER

**Mr. Abhishek Gupta**

**Dinesh Engineers Limited**

DEPL House Neighbourhood Shopping Complex,

Sector 4, Nerul, Navi Mumbai

Maharashtra –400706, India.

Tel. No. 022-27704600/4700

E-mail: cs@depl.co.in

Website: www.depl.co.in

## CHIEF FINANCIAL OFFICER

**Mr. Aksh Devesh Jain**

**Dinesh Engineers Limited**

DEPL House Neighbourhood Shopping Complex,

Sector 4, Nerul, Navi Mumbai

Maharashtra - 400706 India.

Tel. No. 022-27704600/4700

E-mail: aksh@depl.co.in

Website: www.depl.co.in

## Investor Grievances

**Bidders can contact the Company Secretary and 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, non credit of Allotted Equity Shares in the respective beneficiary account, non receipt of refund orders and non receipt of funds by electronic mode.**

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the Bidder, number of Equity Shares applied for, the Bid amount paid on submission of the Bid cum Application Form and the bank branch or collection centre where the application was submitted.

All grievances relating to the Anchor Investors may be addressed to the Registrar to the Issue, giving full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidders DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the Syndicate Member at the Specified Locations or Registered Broker where the Bid cum Application Form was submitted by the Anchor Investor.

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

by the Investor. All grievances relating to Bids submitted through the Registered Broker and/or a Stock Broker may be addressed to the Stock Exchanges with a copy to the Registrar.

#### **BOOK RUNNING LEAD MANAGER TO THE ISSUE**

##### **Hem Securities Limited**

203, Jaipur Tower, M I Road

Jaipur - 302001

**Tel No.:** +91-141-4051000

**Email:** [ib@hemsecurities.com](mailto:ib@hemsecurities.com)

**Investor Grievance Email:** [redressal@hemsecurities.com](mailto:redressal@hemsecurities.com)

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

**Contact Person:** Mr. Sourabh Garg

**SEBI Regn. No.:** INM000010981

#### **LEGAL COUNSEL TO THE ISSUE**

##### **Kanga and Company,**

##### **Advocates & Solicitors**

Readymoney Mansion

43, Veer Nariman Road, Fort,

Mumbai, Maharashtra, India –400 001

Telephone: + 91-22-6623 0000 / 2204 2288

Facsimile: +91-22-6633 9656 / 6633 9657

Website: [www.kangacompany.com](http://www.kangacompany.com)

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

Contact Person: Mr. Chetan Thakkar

#### **REGISTRAR TO THE ISSUE**

##### **Link Intime India Private Limited**

C-101, 1<sup>st</sup> Floor, 247 Park, LBS Marg, Vikhroli (West),

Mumbai-400083, Maharashtra, India

**Tel No.:** +91-022-49186200

**Fax No.:** +91-022-49186195

**Email:** [dineshengineers.ipo@linkintime.co.in](mailto:dineshengineers.ipo@linkintime.co.in)

**Investor Grievance Email:** [dineshengineers@linkintime.co.in](mailto:dineshengineers@linkintime.co.in)

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

**Contact Person:** Ms. Shanti Gopalkrishnan

**SEBI Regn. No.:** INR000004058

#### **BANKERS TO OUR COMPANY**

##### **Kotak Mahindra Bank Limited**

12BKC, Plot No c-12, G Block,

BKC, Bandra East, Mumbai-51

**Tel No.** 022-62185508

**Email Id:** [Vinod.swaminathan@kotak.com](mailto:Vinod.swaminathan@kotak.com)

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

**Contact:** Mr. Vinod Swaminathan

##### **Yes Bank Limited**

25<sup>th</sup> Floor, India Bulls, Finance

Center-2, Elphinstone (W); Mumbai-13

**Tel No.** 022-33478931

**Email Id:** [ravi.gupta1@yesbank.in](mailto:ravi.gupta1@yesbank.in)

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

**Contact:** Mr. Ravi Gupta

#### **STATUTORY AUDITORS TO OUR COMPANY**

##### **Mansaka Ravi & Associates**

##### **Chartered Accountants**

34, Fourth Floor, Trinita Mall, Swage Farm,



New Sanganer Road, Sodala  
Jaipur - 302019  
Phone: 0141- 4911031  
Email: ravi@ravimansaka.com  
Firm Registration No.: 015023C  
Website: www.ravimansaka.com  
Contact Person: Mr. Ravi Mansaka

#### **SYNDICATE MEMBERS**

**Hem Finlease Private Limited**  
203, Jaipur Tower, M I Road  
Jaipur - 302001  
**Tel No.:** +91-141-4051000  
**Email:** [gaurav@hemsecurities.com](mailto:gaurav@hemsecurities.com)  
**Website:** www.hemsecurities.com  
**Contact Person:** Mr. Gaurav Jain  
**SEBI Regn. No.:** INZ000167734

#### **PEER REVIEW AUDITORS**

**Mansaka Ravi & Associates**  
**Chartered Accountants**  
34, Fourth Floor, Trinita Mall, Swage Farm,  
New Sanganer Road, Sodala  
Jaipur - 302019  
Phone: 0141- 4911031  
Email: ravi@ravimansaka.com  
Firm Registration No.: 015023C  
Website: www.ravimansaka.com  
Contact Person: Mr. Ravi Mansaka

#### **BANKER TO THE ISSUE/ ESCROW COLLECTION BANK**

**Kotak Mahindra Bank Limited**  
Kotak Infiniti, 6th Floor Building No.21, Infinity Park off,  
Western Express Highway, General A K Vaidya Marg,  
Malad East, Mumbai- 400097  
Fax No.: +91 22 67132416  
Tel No. +91 22 6605 6588  
Email Id: cmsipo@kotak.com  
Website: www.kotak.com  
Contact: Mr. Prashant Sawant  
SEBI Regn Number: INBI00000927

#### **DESIGNATED INTERMEDIARIES**

#### **SELF CERTIFIED SYNDICATE BANKS**

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 [www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes). For details of the Designated Branches which shall collect Bid cum Application Forms from the ASBA Bidders, please refer to the above-mentioned link. Further, the branches of the SCSBs where the Syndicate at the Specified Locations could submit the Bid cum Application Form are provided on the aforementioned website of SEBI.

## **Registered Brokers**

In terms of SEBI circular no. CIR/CFD/14/2012 dated October 4, 2012, Bidders can submit the Bid cum Application Forms to Registered Brokers at the Broker Centres.

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the BSE and the NSE at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, as updated from time to time.

## **Registrar and Share Transfer Agents**

In terms of SEBI circular no. CIR/CFD/ POLICYCELL/11/2015 dated November 10, 2015, Bidders can submit Bid cum Application Forms through Collecting RTAs who are registrars and transfer agents registered with SEBI and have furnished their details to Stock Exchanges for acting in such capacity.

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 Exchanges at <http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6> and [http://www.nseindia.com/products/content/equities/ipos/asba\\_procedures.htm](http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm) respectively as updated from time to time.

## **Collecting Depository Participants**

In terms of SEBI circular no. CIR/CFD/ POLICYCELL/11/2015 dated November 10, 2015, Bidders can submit Bid cum Application Forms through CDPs who are depository participants registered with SEBI and have furnished their details to Stock Exchanges for acting in such capacity.

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the websites of Stock Exchanges at <http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6> and [http://www.nseindia.com/products/content/equities/ipos/asba\\_procedures.htm](http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm), respectively, as updated from time to time.

## **STATEMENT OF RESPONSIBILITIES**

Since Hem Securities Limited is the sole Book Running Lead Manager to this Issue and all the responsibilities relating to co-ordination and other activities in relation to the Issue shall be performed by it, a statement of inter se allocation of responsibilities among Book Running Lead Manager is not required.

## **CREDIT RATING**

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

## **IPO GRADING**

No credit agency registered with SEBI has been appointed in respect of obtaining grading for the Issue.

## **DEBENTURE TRUSTEES**

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

## **TRUSTEES**

As the Issue is of Equity Shares, the appointment of Trustees is not mandatory.

## **MONITORING AGENCY**

As per Regulation 16(1) of the SEBI (ICDR) Regulations, 2009 as amended, a company is required to appoint a Monitoring Agency if the Issue size exceeds Rs. 1000.00 million and hence our Company has appointed Yes Bank Limited as the 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.

## **APPRAISING ENTITY**

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

## **EXPERTS**

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

Our Company has received written consent from Nair and Nair Associates, Chartered Accountants to include their audit reports and the statement of tax benefits dated March 16, 2018, in this Red Herring Prospectus and such consent has not been withdrawn up to the time of delivery of this Red Herring Prospectus.

Our Company has also received a written consent from the Peer review auditor, namely, Mansaka Ravi & Associates, Chartered Accountants to include its name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Red Herring Prospectus and as an expert under Section 2(38) of the Companies Act, 2013 in relation to their audit reports dated September 05, 2018 on the Restated Financial Information of our Company included in this Red Herring Prospectus and such consent has not been withdrawn up to the time of delivery of this Red Herring Prospectus.

However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act. A written consent under the provisions of the Companies Act, 2013 is different from a consent filed with the U.S. Securities and Exchange Commission under Section 7 of the U.S. Securities Act which is applicable only to transactions involving securities registered under the U.S. Securities Act. As the Equity Shares are proposed to be offered as a part of an initial public offering in India and the Equity Shares have not been and will not be registered under the U.S. Securities Act, the Statutory Auditors and the Peer Review Auditors have not given consent under Section 7 of the U.S. Securities Act.

## **Book Building Process**

The book building process, in the context of the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus, the Bid cum Application Form and the Revision Form. The Price Band for the Issue will be decided by our Company, in consultation with the BRLM, in the manner as agreed upon in the Issue Agreement. The minimum Bid Lot size for the Issue will be decided by our Company in consultation with the BRLM, and will be advertised in all editions of the English national newspaper Business Standard, all editions of the Hindi national newspaper Business Standard and Mumbai edition of the Marathi newspaper Navshakti (Marathi being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation, at least five Working Days prior to the Bid/ Issue Opening Date. The Issue Price shall be determined by our Company, in consultation with the BRLM, after the Bid/ Issue Closing Date. The principal parties involved in the Book Building Process are:

- (1) Our Company;
- (2) the BRLM;
- (3) the Syndicate Members who are intermediaries registered with SEBI or registered as brokers with the Stock Exchanges and eligible to act as Underwriters;
- (4) the Registrar to the Issue;
- (5) the Escrow Collection Banks/ Bankers to the Issue;
- (6) the SCSBs; and
- (7) the Registered Brokers.

The Issue is being made through the Book Building Process wherein not more than 50 % of the Issue shall be available for allocation on a proportionate basis to QIBs. 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15 % of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35 % of the Issue shall be available for allocation to Retail Individual Bidders, in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders, may participate in the Issue through an ASBA process by providing details of their respective bank account which will be blocked by the SCSBs. All Bidders are mandatorily required to utilize the ASBA process to participate in the Issue. Under-subscription if any, in any category, except in the QIB Category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange.

**All Bidders, except Anchor Investors, are mandatorily required to use the ASBA process for participating in the Issue. In accordance with the SEBI ICDR Regulations, QIBs bidding in the QIB Portion and Non-Institutional Bidders bidding in the Non-Institutional Portion are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/Issue Period and withdraw their Bids until the Bid/Issue Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/Issue Period. Allocation to the Anchor Investors will be on a discretionary basis.**

For further details on the method and procedure for Bidding, see “*Issue Procedure*” beginning on page 431 of this Red Herring Prospectus.

Our Company will comply with the SEBI Regulations and any other ancillary directions issued by SEBI for the Issue. In this regard, our Company has appointed the BRLM to manage the Issue and procure subscriptions to the Issue.

**The Book Building Process under the SEBI Regulations is subject to change from time to time and Bidders are advised to make their own judgment about an investment through the Book Building Process prior to submitting a Bid.**

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

- Check eligibility for making a Bid. For further details, please see the chapter titled “*Issue Procedure*” beginning on page 431 of this Red Herring Prospectus.
- Ensure that you have an active demat account and the demat account details are correctly mentioned in the Bid cum-Application-Form;
- Ensure that the Bid-cum-Application Form is duly completed as per the instructions given in this Red Herring Prospectus and in the Bid-cum-Application Form;
- Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the IT Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for bidders residing in Sikkim is subject to the Depository Participant’s verification of the veracity of such claims of the bidders by collecting sufficient documentary evidence in support of their claims;
- Ensure the correctness of your Demographic Details, given in the Bid-cum-Application Form with the details recorded with your Depository Participant;
- Ensure the correctness of your PAN, beneficiary account number, DP ID and Client ID given in the Bid-cum-Application Form. Based on these parameters, the Registrar will obtain details of the Bidders from the Depositories including the Bidder’s name and bank account number among others;
- Bids by ASBA Bidders will have to be submitted to the designated branches of the SCSBs or to the Syndicate at the Specified Locations or to the Registered Brokers at the Broker Centres. Ensure that the SCSB where the ASBA Account (as specified in the Bid cum Application Form) is maintained has named at least one branch at the Specified Location or the Broker Centre for the members of the Syndicate or the Registered Broker,

respectively, to deposit Bid cum Application Forms (a list of such branches is available at the website of the SEBI at [www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes); and

- ASBA Bidders should ensure that the ASBA Accounts have adequate credit balance at the time of submission to the SCSB or the Syndicate or the Registered Brokers to ensure that the Bid cum Application Form is not rejected.

For further details, please see the chapter titled “*Issue Procedure*” beginning on page 431 of this Red Herring Prospectus

Notwithstanding the foregoing, the Issue is also subject to obtaining (i) the final approval of the RoC after the Prospectus is filed with the RoC and (ii) final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after the Allotment.

### Illustration of Book Building Process and Price Discovery Process

For an illustration of the Book Building Process and the price discovery process, see “*Issue Procedure*” beginning on page 465 of this Red Herring Prospectus.

### Allotment to Retail Individual Investors and Minimum Bid Lots

In the event, the Bids received from Retail Individual Investors exceeds [●] Equity Shares, then the maximum number of Retail Individual Investors who can be Allotted the minimum Bid Lot will be computed by dividing the total number of the Equity Shares available for Allotment to Retail Individual Investors by the minimum Bid Lot (“Maximum RII Allottees”). The Allotment to Retail Individual Investors will then be made in the following manner:

- In the event the number of Retail Individual Investors who have submitted valid Bids in the Issue is equal to or less than Maximum RII Allottees, (i) Retail Individual Investors shall be Allotted the minimum Bid Lot; and (ii) the balance Equity Shares, if any, remaining in the Retail Category shall be Allotted on a proportionate basis to the Retail Individual Investors who have received Allotment as per (i) above for less than the Equity Share Bid by them (i.e. who have Bid for more than the minimum Bid Lot).
- In the event the number of Retail Individual Investors who have submitted valid Bids in the Issue is more than Maximum RII Allottees, the Retail Individual Investors (in that category) who will then be Allotted minimum Bid Lot shall be determined on draw of lots basis.

For details, see the chapter titled “*Issue Procedure*” beginning on page 431 of this Red Herring Prospectus

### UNDERWRITING

After the determination of the Issue Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC, our Company proposes to enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Issue. The Underwriting Agreement is dated [●]. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions specified therein.

The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

*(This portion has been intentionally left blank and will be completed before filing the Prospectus with the RoC.).*

Name, address, telephone number, fax number and e-mail address of the Underwriters	Indicative no. of shares underwritten	Amount Underwritten (₹ in Million)	% of Total Issue Size Underwritten
[●]	[●]	[●]	[●]

The above-mentioned is the indicative underwriting amount and will be finalised after pricing and actual allocation and subject to the provisions of the SEBI ICDR Regulations.

In the opinion of our Board (based on certificates provided by the Underwriters), the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange(s). Our Board, at its meeting held on [●] has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitment.

Notwithstanding the above, the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to investors procured by them. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure purchases for or purchase of the Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement. The Underwriting Agreement has not been executed as on the date of this Red Herring Prospectus and our Company intends to enter into an Underwriting Agreement with the Underwriters after the determination of the Issue Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC.

The underwriting arrangements mentioned above shall not apply to the subscriptions by the ASBA Bidders in the Issue, except for ASBA Bids procured by the Syndicate Member(s). The Underwriting Agreement shall list out the role and obligations of each Syndicate Member, and *inter alia* contain a clause stating that margin collected shall be uniform across all categories indicating the percentage to be paid as margin by the bidders at the time of Bidding.



### CAPITAL STRUCTURE

The share capital of our Company as on the date of this Red Herring Prospectus is set forth below:

(In ₹ except share data)

		Aggregate value at Face value	Aggregate value at Issue Price
<b>A</b>	<b>Authorized Share Capital</b> 40,000,000 Equity Shares having Face Value of Rs 10/- each	400,000,000	-
<b>B</b>	<b>Issued, Subscribed &amp; Paid-up Share Capital before the Issue</b> 29,500,000 Equity Shares having Face Value of Rs.10/- each fully paid up before the Issue. <sup>(1)</sup>	295,000,000	-
<b>C</b>	<b>Present Issue in terms of this Red Herring Prospectus</b> Fresh issue of upto 10,000,000 Equity Shares having Face Value of Rs.10/- each <sup>(2)</sup> .	100,000,000	[●]
<b>D</b>	<b>Issued, Subscribed and Paid up Equity Share capital after the Issue</b> [●] Equity Shares having Face Value of ₹ 10/- each	[●]	[●]
<b>E</b>	<b>Securities Premium Account</b> Before the Issue	-	
	After the Issue	[●]	

(1) Our Company has only one class of share, i.e., Equity Shares having face value of Rs.10 each and there are no partly paid up Equity Shares or preference shares or convertible securities outstanding for conversion as on the date of this Red Herring Prospectus.

(2) The Fresh Issue has been authorized by a resolution of our Board of Directors dated February 21, 2018 and a special resolution of our Shareholders in their EGM dated March 19, 2018.

#### Changes in Authorized Share Capital of our Company:

- The initial authorized share capital of our Company was increased from ₹500,000 comprising 50,000 equity Shares of 10 each to ₹5,000,000 comprising 500,000 Equity Shares of ₹10 each pursuant to a resolution passed by our Shareholders in their Extra-Ordinary General Meeting on July 23, 2012.
- The authorized capital of our Company of ₹5,000,000 comprising 500,000 Equity Shares of ₹10 each was increased to ₹20,000,000 divided into 2,000,000 Equity Shares of ₹10/- each pursuant to a resolution passed by our Shareholders in their Extra-Ordinary General Meeting held on August 30, 2013.
- The authorized capital of our Company of ₹20,000,000 divided into 2,000,000 Equity Shares of ₹10/- was increased to ₹400,000,000 divided into 40,000,000 Equity Shares of ₹10/- each pursuant to a resolution passed by our Shareholders in their Extra-Ordinary General Meeting held on November 20, 2017.

#### Notes to the Capital Structure:

##### 1. Equity Share Capital History of our Company:

- The history of the Equity Share capital of our Company is provided in the following table:

Date of Allotment	No. of Equity Shares allotted	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Nature of Allotment	Cumulative No. of Equity Shares	Cumulative Paid Up Share Capital (in Rs.)
On Incorporation*	10,000	10	10	Cash	Subscription to MOA <sup>(i)</sup>	10,000	100,000
July 23, 2012	240,000	10	10	Cash	Further Allotment <sup>(ii)</sup>	250,000	2,500,000
November 20, 2017**	29,250,000	10	NA	NA	Bonus Issue in the ratio of 117:1 <sup>(iii)</sup>	29,500,000	295,000,000

\*The Shares was issued to Initial Subscribers to Memorandum of Association on January 28, 2006. At the time of Incorporation, the Subscribers to its Memorandum of Association, i.e. Mr. Dinesh Kollaiah Kargal and Mrs. Shashikala Kargal undertook to subscribe 27,500 Equity Shares and 22,500 Equity Shares of Rs. 10/- face value each respectively. However, upon incorporation of the Company, Mr. Dinesh Kollaiah Kargal and Mrs. Shashikala Kargal subscribed to 5500 Equity Shares and 4500 Equity Shares only respectively by bringing in Rs. 55,000/- and Rs. 45,000/- respectively towards the share capital of the Company. Consequently, Mr. Dinesh Kollaiah Kargal and Mrs. Shashikala Kargal were allotted only with 5,500 Equity Shares and 4,500 Equity Shares of Rs. 10/- each respectively. Thus, on incorporation of the Company, the issued subscribed and paid up capital stood at Rs. 100,000/-. The remaining shares were subscribed by them during the allotment dated July 23, 2012.

\*\*Bonus issue of 29,250,000 equity shares in the ratio of 117:1 dated November 20, 2017 has been issued by Capitalization of Reserve & Surplus of the Company.

^All the above mentioned shares are fully paid up since the date of allotment.

#### Notes:

- (i) **Initial Subscribers to the Memorandum of Association subscribed 10,000 Equity Shares of Face Value of Rs. 10/- each, details of which are given below:**

S. No.	Names of Person	Number of Shares Allotted
1.	Mr. Dinesh Kollaiah Kargal	5,500
2.	Mrs. Shashikala Dinesh Kargal	4,500
	<b>Total</b>	<b>10,000</b>

- (ii) **Further allotment of 240,000 Equity Shares of Face Value of Rs. 10/- each fully paid:**

S. No.	Names of Person	Number of Shares Allotted
1.	Mr. Dinesh Kollaiah Kargal	132,000
2.	Mrs. Shashikala Dinesh Kargal*	108,000
	<b>Total</b>	<b>240,000</b>

\*Shares were allotted to Mrs. Shashikala Dinesh Kargal through conversion of loan into equity.

- (iii) **Bonus allotment of 29,250,000 Equity Shares of Face Value of Rs. 10/- each fully paid in the ration 117:1 i.e. 117 Bonus Equity Shares for every 1 Equity Shares held**

S. No.	Names of Person	Number of Shares Allotted
1.	Mr. Dinesh Kollaiah Kargal	16,087,500
2.	Mrs. Shashikala Dinesh Kargal	13,162,500
	<b>Total</b>	<b>29,250,000</b>

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

## 2. Issue of Equity Shares for consideration other than cash:

Except as set out below, we have not issued Equity Shares for consideration other than cash

Date of the allotment	Allottees	No. of Equity shares allotted	Face Value (₹)	Issue Price (₹)	Reasons for allotment	Benefit Accrued to our Company
November 20, 2017	Mr. Dinesh Kollaiah Kargal	16,087,500	10	N.A.	Bonus Issue of equity shares in the ratio of 117:1 by way of capitalization of Reserves & Surplus.	Expansion of Capital
	Mrs. Shashikala Dinesh Kargal	13,162,500				

## 3. Details of Allotment made in the last two years preceding the date of the Red Herring Prospectus:

Except as mentioned in point 1 (a) (iii) above, we have not issued any Equity Shares in the last two years preceding the date of this Red Herring Prospectus.

- No Equity Shares have been allotted pursuant to any scheme approved under Sections 391-394 of the Companies Act, 1956 and Sections 230-233 of the Companies Act, 2013.
- We have not revalued our assets since incorporation and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
- The table below sets forth the details of the Equity Shares issued by our Company at a price which may be lower than the Issue Price during a period of one year preceding the date of this Red Herring Prospectus.

Date of Allotment	Name of the Allottees	No. of Equity Shares Allotted	Face Value (in ₹)	Issue Price (in ₹)	Reason for Allotment	Category of Allottees
November 20, 2017	Mr. Dinesh Kollaiah Kargal	16,087,500	10	N.A.	Bonus issue in the ratio of 117:1	Promoter
	Mrs. Shashikala Dinesh Kargal	13,162,500				Promoter

## 7. History of the Equity Share Capital held by our Promoters

The current promoters of our Company are (i) Mr. Dinesh Kollaiah Kargal and (ii) Mrs. Shashikala Dinesh Kargal.

As on the date of this Red Herring Prospectus, our Promoters Mr. Dinesh Kollaiah Kargal and Mrs. Shashikala Dinesh Kargal hold 16,222,000 Equity Shares and 13,274,640 Equity Shares respectively of our company.

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

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

Date of Allotment and made fully paid up /transfer	Nature of Transaction	No. of Equity Shares	Face Value Per Share (₹)	Issue /Acquisition/ Transfer Price per Equity Share (₹)	Pre-Issue Shareholding %	Post-Issue Shareholding %	Lock in Period	Source of Funds
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<b>Mr. Dinesh Kollaiah Kargal</b>								
Upon Incorporation	Subscriber to MOA	5,500	10	10	0.019	[●]	[●]	Own Funds
July 23, 2012	Allotment	132,000	10	10	0.447	[●]	[●]	Own Funds
November 20, 2017	Bonus Issue	16,087,500	10	-	54.534	[●]	[●]	--
November 24, 2017	Transfer <sup>(i)</sup>	(540)	10	10	(0.002)	[●]	[●]	--
February, 3, 2018	Transfer <sup>(ii)</sup>	(2,460)	10	10	(0.008)	[●]	[●]	--
<b>Total (A)</b>		<b>16,222,000</b>			<b>54.990</b>	[●]		
<b>Mrs. Shashikala Dinesh Kargal</b>								
Upon Incorporation	Subscriber to MOA	4,500	10	10	0.015	[●]	[●]	Own Funds
July 23, 2012	Allotment	108,000	10	10	0.366	[●]	[●]	Own Funds
November 20, 2017	Bonus Issue	13,162,500	10	-	44.619	[●]	[●]	--
November 24, 2017	Transfer <sup>(iii)</sup>	(360)	10	10	(0.001)	[●]	[●]	--
<b>Total (B)</b>		<b>13,274,640</b>			<b>44.999</b>	[●]	[●]	
<b>Grand Total (A+B)</b>		<b>29,496,640</b>			<b>99.989</b>	[●]	[●]	

- (i) Transfer of shares from Mr. Dinesh Kollaiah Kargal to Mr. Darshankumar Kargal (180 equity shares), Dhanul Kargal (180 equity shares) and Eramma Kargal (180 equity shares).
- (ii) Transfer of shares from Mr. Dinesh Kollaiah Kargal to Mrs. Eramma Kargal (2460 equity shares).
- (iii) Transfer of shares from Mrs. Shashikala Dinesh Kargal to Mr. Manjunath (90 equity shares), Prema Bilgi (90 equity shares), Rajkumar (90 equity shares) and Jalaja Shirguppe (90 equity shares).

All the Equity Shares held by the Promoters were fully paid-up on the respective dates of acquisition of such Equity Shares.

## 8. Shareholding of Promoters and Promoter Group

Provided below are details of Equity Shares held by our Promoters and members of the Promoter Group:

S.No	Names	Pre Issue		Post Issue	
		Shares Held	% Shares Held	Shares Held	% Shares Held
	<b>Promoter</b>				
1.	Dinesh Kollaiah Kargal	16,222,000	54.990	16,222,000	[●]
2.	Shashikala Dinesh Kargal	13,274,640	44.999	13,274,640	[●]
	<b>Total (A)</b>	<b>29,496,640</b>	<b>99.989</b>	<b>29,496,640</b>	[●]
	<b>Promoter Group</b>				
3.	Darshankumar Kargal	180	0.001	180	[●]
4.	Dhanul Kargal	180	0.001	180	[●]
5.	Eramma Kargal	2640	0.009	2640	[●]
6.	Manjunath	90	0.000	90	[●]
7.	Prema Bilgi	90	0.000	90	[●]
8.	Rajkumar	90	0.000	90	[●]
9.	Jalaja Shirguppe	90	0.000	90	[●]
	<b>Total (B)</b>	<b>3360</b>	<b>0.011</b>	<b>3360</b>	[●]
	<b>Grand Total (A+B)</b>	<b>29,500,000</b>	<b>100.000</b>	<b>29,500,000</b>	[●]

- a) None of our Directors, Promoter, the members of our Promoter Group and their immediate relatives have purchased or sold any securities of our Company or Subsidiaries, during the six months preceding the date of filing this Red Herring Prospectus with SEBI.

- b) There are no financing arrangements whereby the members of our Promoter Group, our Promoter, our Directors and their relatives have purchased or sold, or financed the purchase of Equity Shares by any other person, other than in the normal course of business of the financing entity during the period of six months immediately preceding the date of filing the Red Herring Prospectus.

## 9. Details of Promoter's contribution locked-in for three years

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

The details of the Equity Shares held by our Promoters which shall be locked-in for a period of three years from the date of Allotment, are set out in the following table:

Date of Allotment / transfer of fully paid up Shares	Nature of Allotment/ Acquired/Transfer	No. of shares Allotted/ Acquired Transferred	Consideration	Face Value (Rs.)	Issue Price/ Transfer Price (Rs.)	% of Pre Issue Shareholding	% of Post Issue Shareholding
<b>Mr. Dinesh Kollaiah Kargal</b>							
November 20, 2017	Bonus Issue	4,100,000	--	10.00	--	13.90	[●]
<b>Total (A)</b>		4,100,000	--	10.00	--	13.90	[●]
<b>Mrs. Shashikala Dinesh Kargal</b>							
November 20, 2017	Bonus Issue	4,000,000	--	10.00	--	13.56	[●]
<b>Total (B)</b>		4,000,000	--	10.00	--	13.56	[●]
<b>Grand Total (A+B)</b>		8,100,000	--	10.00	--	27.46	[●]

The minimum Promoters' contribution has been brought in to the extent of not less than the specified minimum lot and from the persons defined as 'Promoter' under the SEBI ICDR Regulations. Our Company undertakes that the Equity Shares that are being locked-in are not ineligible for computation of Promoters' contribution in terms of Regulation 33 of the SEBI ICDR Regulations. Our Promoters have confirmed to our Company and the BRLM that the Equity Shares held by our Promoters which shall be locked-in for a period of three years as Promoters' contribution have been financed from their internal accruals and no loans or financial assistance from any bank or financial institution has been availed by them for this purpose.

In this connection, we confirm the following:

- the Equity Shares Issued for minimum Promoters' contribution have not been acquired in the three (3) years immediately preceding the date of this Red Herring Prospectus for consideration other than cash and revaluation of assets or capitalization of intangible assets nor have resulted from a bonus issue out of revaluation reserves or unrealized profits of our Company or against Equity Shares which are otherwise ineligible for computation of Promoters' contribution;
- the minimum Promoters' contribution does not include any Equity Shares acquired during the one (1) year immediately preceding the date of this Red Herring Prospectus at a price lower than the price at which the Equity Shares are being Issued to the public in the Issue;
- Our Company has not been formed by the conversion of a partnership firm into a Company;
- the Equity Shares held by our Promoters which are Issued for minimum Promoters' contribution are not subject to any pledge or any other form of encumbrance whatsoever; and

- (v) all the Equity Shares of our Company held by the Promoters and the Promoter Group are held in dematerialized form as on the date of this Red Herring Prospectus.

### **Details of Share Capital Locked in For One Year**

In terms of Regulation 36 and 37 of the SEBI (ICDR) Regulations, other than the Equity Shares Issued by the Promoters for the Minimum Promoter's Contribution, which will be locked-in as minimum Promoters' contribution for three (3) years, all the pre-Issue Equity Shares shall be subject to lock-in for a period of one (1) year from the date of Allotment.

The Equity Shares which are subject to lock-in shall carry inscription "non-transferable" along with the duration of specified non-transferrable period mentioned in the face of the security certificate. The shares which are in dematerialized form, if any, shall be locked-in by the respective depositories. The details of lock-in of the Equity Shares shall also be provided to the Designated Stock Exchange before the listing of the Equity Shares.

### **Other requirements in respect of lock-in**

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

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

Further, in terms of Regulation 40 of SEBI (ICDR) Regulations, the Equity Shares held by our Promoters may be transferred to and among the Promoters Group or to new promoters or persons in control of our Company, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the Takeover Regulations and such transferee shall not be eligible to transfer them until the lock-in period stipulated in the SEBI (ICDR) Regulations has elapsed.

### **Lock-in of the Equity Shares to be allotted, if any, to the Anchor Investors**

Any Equity Shares allotted to Anchor Investors shall be locked-in for a period of 30 days from the date of Allotment.

**10. Shareholding pattern of our Company**

The table below represents the equity shareholding pattern of our Company as on the date of this Red Herring Prospectus:

Category	Category of shareholder	Nos. of share holder s	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*			No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
								No of Voting Rights		Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
								Class Equity Shares of Rs.10/- each^	Total								
I	II	III	IV	V	VI	VII = IV+V+VI	VIII	IX			X	XI=VII+X	XII		XIII		XIV
(A)	Promoter & Promoter Group	9	29,500,000	-	-	29,500,000	100	29,500,000	29,500,000	100	-	-	[●]	[●]	-	-	29,500,000
(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Emp. Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	9	29,500,000	-	-	29,500,000	100	29,500,000	29,500,000	100	-	-	[●]	[●]	-	-	29,500,000

\*As on date of this Red Herring Prospectus 1 Equity share holds 1 vote.

^ We have only one class of Equity Shares of face value of Rs. 10/- each.



**11. The Top Ten Shareholders of our Company and their Shareholding is set forth below:-**

As on the date of the Red Herring Prospectus, our Company has Nine (9) shareholders.

i. Our top ten\* shareholders as on the date of filing of the Red Herring Prospectus are as follow:

Sr. No.	Names	Shares Held (Face Value of Rs. 10 each)	% shares held (% Pre Issue paid up Capital)
1.	Dinesh Kollaiah Kargal	16,222,000	54.990
2.	Shashikala Dinesh Kargal	13,274,640	44.999
3.	Eramma Kargal	2640	0.009
4.	Dhanul Kargal	180	0.001
5.	Darshankumar Kargal	180	0.001
6.	Manjunath	90	0.000
7.	Prema Bilgi	90	0.000
8.	Rajkumar	90	0.000
9.	Jalaja Shirguppe	90	0.000
	<b>Total</b>	<b>29,500,000</b>	<b>100.00</b>

\*Our Company has only 9 (Nine) shareholders as on the date of this Red Herring Prospectus.

ii. Our top ten\* shareholders 10 days prior filing of the Red Herring Prospectus are as follows:

Sr. No.	Names	Shares Held (Face Value of Rs. 10 each)	% shares held (% Pre Issue paid up Capital)
1.	Dinesh Kollaiah Kargal	16,222,000	54.990
2.	Shashikala Dinesh Kargal	13,274,640	44.999
3.	Eramma Kargal	2640	0.009
4.	Dhanul Kargal	180	0.001
5.	Darshankumar Kargal	180	0.001
6.	Manjunath	90	0.000
7.	Prema Bilgi	90	0.000
8.	Rajkumar	90	0.000
9.	Jalaja Shirguppe	90	0.000
	<b>Total</b>	<b>29,500,000</b>	<b>100.00</b>

\*Our Company has only 9 (Nine) shareholders as on the date of this Red Herring Prospectus.

iii. Details of top ten\* shareholders of our Company two years prior to the date of filing of the Red Herring Prospectus are as follows:

Sr. No.	Names	Shares Held (Face Value of Rs. 10 each)**	% of Paid up Equity Shares as on 2 years prior to the date of filing of the Prospectus
1.	Dinesh Kollaiah Kargal	137,500	55.00
2.	Shashikala Dinesh Kargal	112,500	45.00
	<b>Total</b>	<b>250,000</b>	<b>100.00</b>

\*Our Company had only 2 (Two) shareholders as on two years prior filing of this Red Herring Prospectus.

\*\*Details of shares held on September 07, 2016 and Percentage held has been calculated based on the paid up capital of our company as on September 07, 2016.

12. None of our public shareholders are holding more than 1% of the pre-Issue share capital of our Company.

13. There has been no subscription to or sale or purchase of our Equity Shares, within the three (3) years immediately preceding the date of this Red Herring Prospectus, by our Promoters, Directors or Promoter Group which in aggregate equals or exceeds 1% of the pre-Issue Equity Share capital of our Company except as stated below:

S. No.	Name of Shareholder	Date of Transaction	Promoter/ Promoter Group/ Director	Number of Equity Shares subscribed	Subscribed/ Acquired/ Transferred
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				to/Acquired	
1.	Dinesh Kollaiah Kargal	November 20, 2017	Promoter and Director	16,087,500	Subscribed
	Shashikala Dinesh Kargal		Promoter and Director	13,162,500	Subscribed
2.	Dinesh Kollaiah Kargal	November 24, 2017	Promoter and Director	(540)	Transferred
	Shashikala Dinesh Kargal		Promoter and Director	(360)	Transferred
	Darshankumar Kargal		Promoter Group and Director	180	Acquisition
	Dhanul Kargal		Promoter Group	180	Acquisition
	Eramma Kargal		Promoter Group	180	Acquisition
	Manjunath		Promoter Group	90	Acquisition
	Prema Bilgi		Promoter Group	90	Acquisition
	Rajkumar		Promoter Group	90	Acquisition
	Jalaja Shirguppe		Promoter Group	90	Acquisition
3.	Dinesh Kollaiah Kargal	February 03, 2018	Promoter and Director	(2460)	Transferred
	Eramma Kargal		Promoter Group	2460	Acquisition

14. None of our Directors or Key Managerial Personnel hold any Equity Shares other than as set out below:

Name	Designation	No. of Equity Shares held
Dinesh Kollaiah Kargal	Chairman and Managing Director	16,222,000
Shashikala Dinesh Kargal	Whole- time Director	13,274,640
Darshankumar Kargal	Non- Executive Director	180

15. As on date of this Red Herring Prospectus, our Company has 9 (Nine) shareholders.
16. Neither our Company nor any of our Directors have entered into any buy-back and/or standby arrangements for purchase of Equity Shares from any person. Further, the BRLM has not made any buyback and/or standby arrangements for purchase of Equity Shares from any person.
17. As on the date of this Red Herring Prospectus, our Company has not issued any equity shares under any employee stock option scheme and we do not have any Employees Stock Option Scheme / Employees Stock Purchase Scheme.
18. There are no outstanding warrants, options or rights to convert debentures, loans or other instruments into Equity Shares as on the date of this Red Herring Prospectus.
19. The Equity Shares are fully paid up and there are no partly paid-up Equity Shares as on the date of filing of this Red Herring Prospectus.
20. Any over-subscription to the extent of upto 10 % of the Issue can be retained for the purposes of rounding off to the nearer multiple of minimum allotment lot.
21. The members of our Promoters, Promoter Group and Group Entities will not participate in the Issue.
22. There have been no financial arrangements whereby our Promoter Group, 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, during a period of six months immediately preceding the date of this Red Herring Prospectus.
23. No person connected with the Issue, including, but not limited to, the BRLM, the members of the Syndicate, our Company, Directors, Promoters, members of our Promoter Group and Group Companies shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid.
24. Other than as disclosed in this Red Herring Prospectus, our Company presently does not intend or propose to alter its capital structure for a period of six months from the Bid/Issue Opening Date, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether on a preferential basis or by way of issue of bonus shares or on a rights basis or by way of further public issue of Equity Shares or qualified institutions placements or otherwise. However, our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the Bid/Issue Opening Date to finance an acquisition, merger or joint venture or for regulatory compliance or such

other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.

25. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
26. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.
27. We hereby confirm that there will be no further issue of capital whether by the way of issue of bonus shares, preferential allotment, right issue or in any other manner during the period commencing from the date of the Red Herring Prospectus until the Equity shares Issued have been listed or application money unblocked on account of failure of issue.
28. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group during the period between the date of registering this Red Herring Prospectus with the RoC and the date of closure of the Issue shall be reported to the Stock Exchanges within 24 hours of the transactions.
29. This Issue is being made under Rule 19(2)(b)(i) of the SCRR read and in accordance with Regulation 26(1) of the SEBI ICDR Regulations. The Issue is being made through the Book Building Process, wherein not more than 50% of the Issue shall be allocated to QIBs on a proportionate basis. 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received from them at or above the Issue Price. Further, not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price.
30. Under-subscription if any, in any category, except in the QIB Category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange.
31. Our Company has not made any public issue of any kind or class of securities of our Company within the immediately preceding two (2) years prior to filing this Red Herring Prospectus.

## OBJECTS OF THE ISSUE

The objects of the Issue are:

1. Expansion of business by setting up of further OFC Network under IP-1 License;
2. To fund expenditures towards general corporate purposes; and
3. To meet public issue expenses.

The other Objects of the Issue also include creating a public trading market for the Equity Shares of our Company by listing them on BSE and NSE. 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 object clause of Memorandum of Association of our Company enables us to undertake the existing activities and the activities for which the funds are being raised by us through the present Issue. Further, we confirm that the activities which we have been carrying out till date are in accordance with the object clause of our Memorandum of Association.

The details of the proceeds of the Issue are summarized in the table below:

(Rs. in Millions)

Particulars	Amount
Gross Proceeds of the Issue	[●]
Less: Issue related expenses*	[●]
<b>Net Proceeds of the Issue</b>	<b>[●]</b>

*\*To be finalised on determination of Issue Price.*

We intend to utilise the proceeds of the Issue after deducting the underwriting and management fees, selling commissions and other expenses associated with the Issue ("Net Proceeds") to meet the following objects:

(Rs. in Million)

Particulars	Amount
Expansion of business by setting up of further OFC Network under IP-1 License	1564.46
To fund expenditures towards general corporate purposes	[●]
<b>Net Proceeds of the Issue</b>	<b>[●]</b>

### Proposed schedule of implementation and deployment of the Net Proceeds

The Net Proceeds are currently expected to be deployed in accordance with the schedule as stated below:

(Rs. in Million)

Particulars	Total Estimated Cost	Amount to be funded from Net Proceeds	Amount already deployed till August 31, 2018	Amount to be deployed from the Net Proceeds in Fiscal Year 2019
Expansion of business by setting up of further OFC Network under IP-1 License	1960.76	1564.46	396.30*	1564.46
To fund expenditures towards general corporate purposes	[●]	[●]	-	[●]
<b>Net Proceeds of the Issue</b>	<b>[●]</b>	<b>[●]</b>	<b>396.30</b>	<b>[●]</b>

*\*Out of the above object of Rs. 1960.76 million, our company has incurred total expenses of Rs. 1053.80 million against the said optic fibre network. Out of this amount our company has made a payment of Rs 396.30 million and the balance Rs 657.50 million represents the payment to be made from the Issue proceeds against the said network.*

We may have to revise our funding requirements and deployment on account of a variety of factors such as our financial condition, business and strategy and external factors such as market conditions and competitive environment, 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 our management. Subject to applicable law, if the actual utilisation towards any of the objects is lower than the proposed deployment such balance will be used for general corporate purposes to the extent that the total amount to

be utilized towards general corporate purposes will not exceed 25% of the gross proceeds from the Issue in accordance with the SEBI ICDR Regulations.

The above-stated fund requirements are based on our internal management estimates and have not been verified by the BRLM or appraised by any bank or financial institution or any other independent agency. Our Company proposes to deploy the Net Proceeds towards the objects as indicated above. In the event, if the Issue is not completed in time the deployment schedule shall be revised. Further, in case the Net Proceeds are not completely utilised in a scheduled Fiscal Year due to any reason, the same would be utilised (in part or full) in the next Fiscal Year/ subsequent period as may be determined by our Company, in accordance with applicable law. This may entail rescheduling and revising the planned expenditure and funding requirement and increasing or decreasing the expenditure for a particular purpose from the planned expenditure at the discretion of our management, subject to compliance with applicable law.

In case of a shortfall in raising requisite capital from the Net Proceeds towards meeting the objects of the Issue, we may explore a range of options including utilising internal accruals and availing additional debt from existing and future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls. If the actual utilisation towards any of the objects is lower than the proposed deployment, such balance will be used for general corporate purposes in accordance with applicable law.

#### Details of the Objects:-

##### A. Expansion of business by setting up of further OFC Network under IP-1 License

Our Company is expanding its business activities by setting up its own dedicated Optical Fiber Cable (OFC) Network of approximately 5740 km in states of Maharashtra, Rajasthan, Karnataka, Madhya Pradesh and Andhra Pradesh. This expansion will enhance the reach of our Company.

Details of our proposed network along with the details of the routes to be executed, requirement of material and other works for the proposed expansion have been estimated as follows:

(Amt. in Rs. Millions)				
State	Route Name	Route Length Km	Nature of Work (Modality)	Total Cost
Andhra Pradesh	Amlapuram-Gopavaram-Komaragiripatnam-Allavaram-Amlapuram	1666	1 Duct with 48 F Cable	569.34
	Chintha Nekkonda-Yeigur-Machchapur-Girivabi-Gopalapuram-Ramteertham			
	Jillella-Narsakkapet-Venkatraopet			
	Jogipet-Chilvar-Usirkapalle-Narayankhed-Jambgi-Turkwadgaon-DharmaramMathadpalle			
	Kadium-Jonnada-Kothapada-Ambajipeta			
	Kallur-Lankapalli-Bethupalli-Aswaraopeta-Jangareddigudarn			
	Kandi-Shankarpalli-Hyderabad			
	Penamaluru-Challapalli			
	Kasamudram-Aleru-Nerada-Kuravi-Dharmaram-Maripeda-Kakaravai-KotapahadSuryapet			
	L B Nagar-Ibrahimpattam-Yacharam-Narketpalli-Valigonda-Mothkur-Gollapally-Tirumalagiri			
	Narsapur-Cntc11-Patancheru			
	Navipet-Kothapalli-Noothpalli-Velmal-Armoor			
	Parthipadu-Divili-Vadlarnuru-Peddapuram-Ramesampeta-Rajanagram			
	Ramayampet-Narsingi-Chegunta-Tupran-Hyderabad(Hakimpet)			
	Tirmanpally-Wadi-Sirikonda-Bheemgal-Lakkora			
	Velishala-Palakurthy-Ghanpur			
	Kanakala Peta-Sitaramapuram-Yanam			
	Farooqnagar-Keshampet-Amangal			
	Guntur-Chilakaluripe-Addnaki-Medarametla			
	Vikarabad-Sadasivpet			

	Sattenapalle-Krosur- Didugu-Amravati			
	Khammam-gampalagdem-Lbrahimpatnam			
	Madakasira-Pavagda-Anantapura-kalyandurg			
<b>Karnataka</b>	Agrahar-Shanubhogana Halli-Jalamangala-Gejjagaraguppe-Agalakote	1264	1 Duct with 48 F Cable	431.70
	Athni-Gugwad-Jath			
	Channapattana-Hunasnahalli-Ganalu-Melekote			
	Gauripura-Beturu-Ishvaragere-Hiriyur			
	Ghatprabha-Dupdhal-Molmanatti-Rustumpur-Akkatangerahala			
	Gowripura-Pavagada-Madakasira			
	Aurad Shshajani-Halasithagay-Achola			
	Honnali-Masur-Ranibennur			
	Khanapur-Devalatti-BagewadiHbli-Balihongal-Dodwad Harobelavadi			
	Lokapur-Gutbgoli-Kugod-Masaguppi-Mudalgi			
	Makarvalli-takmapur-Tilvalli-Chikkabatur-Kasambhi-Uppanishi-Kabbur-Sangur			
	Nargund-Ramdurg-Batakurki-Lokapur			
	Ramapuram-Kodipalli-Thattatharai-Vepanapalli-Siranapalli-Thuragalur-Purasanahalli			
	Saatanuru-Nayakanahalli-Hukunda-Bennangur			
	Sambhajinagar-Saundalga-Kunnur-Karadga-Borgaon-Sidolka-Hirekudi			
	Shimoga-Channagiri-Holalkere			
	Shiramagondana-Turchaghatta-Saasalu			
	Sira-Bhupasandra_Turnumkura			
	Yallati-Kulahalli-Alavala-Hirepadasalagi-Gunadal			
	Yelanankura-Vinoyak Nagar-Bylakere-Hasaraghatta			
	Davanagere-Towdur-Nagarakati-Bellary Camp-HagaribommanahalliMariyarnmanahalli			
<b>Maharashtra</b>	Ambience Villa-Kurvande-Visakhar	1413	1 Duct with 48 F Cable	482.59
	Ashta-Bhilawadi-Hazarwadi			
	Bally-Quepem-Curchorem-Darbandora			
	9harwas-Manjur-Chandekasare			
	Chaken-Shelgaon-Shikrapur			
	Karadkel-Kamajiwadi-Santhpur			
	Japhali-Kodoli-Pethvadgaon			
	Nagewadi-Mayani-Didwaghadi			
	Nanded-Shiradaon-Mukhed-Sirur Tajband			
	Panchavati-Wanarwadi-Vani			
	Peth-Kokrud-Kadave-Malkapur			
	Phaltan-Nirugudi-Bijawadi-Pingli			
	Pirwadi-Bhivadi-Koregaon-Vaduj			
	Sangamner-Akole-Padalne-Otur-Alephata			
	Candepar-Ansolem-Desai Nagar			
	Somwar Peth-Aravade-Karanje			
	Wali-Hathnoshi-Bhor			
	Omerga-Naranagwadi-Patoda-Ausa			
	Daund-Temburani			
	Echplunkherdi-Marultarav-Vasantgadh-Ekrdkaradl			
	varai-kardal-shirgaon-lakshmiwadi			
	Samudrawani-Murud-Sirdhon-Ambajogai			
	nandur village-varhe darna-niphad-vinchur			
	ohmadpur-Dhalegoon-devkatwadi-Gangakhed			
	umargam-govada-gholvad			
	Bhoyar-shonkhas-Ner-Nandgaon-Chandur			
	adampur-satna-Arvi-Wardha			
<b>Madhya Pradesh</b>	Jaora-Tal-Alote-Kolvi	141	1 Duct with 48 F Cable	48.16
	Raipur-Soyat Kalan-Susner-Takhla			

<b>Rajasthan</b>	Adsar-Jayal			
	Amer Road-Nangal-Khetri			
	Barisadri - Mangolwar			
	Barodiya-Pratappura-Eklingji-Upli Udan- Nathhdwara			
	Bhinmal-Karda-Arnay-Deoda-Parawa-Raniwar			
	Haiena-Nadbal-Kherli-Lachhmangarh-Bandikui			
	Kuchaman-Choti Khatu			
	Kuchman-Kankriya-Rajiya-Ananthpura			
	Neem Ka Thana-Chandana			
	Nohar-Nays Bas			
	Pratapgarh-Dhanawad-jhalara			
	Rajsamand-Kelwa-Gomti Choraya			
	Ramseen - Nimbaj - Bargaon			
	Ratangarh-Budhwali-Karanga Bara-Nyama-Salasar			
	Salumber-Saiyat Bhagal-Pars had			
	Tather-Mandola-Cheensa-Palaita-Nagda			
	Vallabh Nagar-Udaipur			
	Bundi - Del - Nainwa - Tonk	1256	1 Duct with 48 F Cable	428.97
	<b>Total</b>	<b>5740</b>		<b>1960.76</b>

\*Out of the above object of Rs. 1960.76 million, our company has incurred total expenses of Rs. 1053.80 million against the said optic fibre network. Out of this amount our company has made a payment of Rs 396.30 million and the balance Rs 657.50 million represents the payment to be made from the Issue proceeds against the said network.

The route to be developed and the prices of the material and the estimated cost for the development of the route have been estimated by the management based on the past trends, records of the company and the quotation received from the vendors.

## B. General Corporate Purposes

Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. We intend to deploy the balance Issue proceeds aggregating ₹ [●] million towards the general corporate purposes to drive our business growth. In accordance with the policies set up by our Board, we have flexibility in applying the remaining Net Proceeds, for general corporate purpose including but not restricted to, meeting operating expenses, initial development costs for projects other than the identified projects, and the strengthening of our business development and marketing capabilities, meeting exigencies, which the Company in the ordinary course of business may not foresee or any other purposes as approved by our Board of Directors, subject to compliance with the necessary provisions of the Companies Act.

We confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose. Further, we confirm that the amount for general corporate purposes, as mentioned in the Red Herring Prospectus, shall not exceed 25% of the amount raised by our Company through this Issue.

## C. To Meet the Issue Expenses

The estimated Issue related expenses includes Issue Management Fee, Underwriting and Selling Commissions, Printing and Distribution Expenses, Legal Fee, Advertisement Expenses, Registrar's Fees, Depository Fee and Listing Fee. The total expenses for this Issue are estimated to be approximately ₹ [●] million which is [●] % of the Issue Size. All the Issue related expenses shall be met out of the proceeds of the Issue and the break-up of the same is as follows:

All the Issue related expenses shall be met out of the proceeds of the Issue and the break-up of the same is as follows:

Activity	(₹ in Million)	% of Total Expenses	% of Total Issue size
Payment to Merchant Banker including underwriting and selling commissions, brokerages, payment to other intermediaries such as Legal Advisors, Registrars, etc. and other out of pocket expenses	[●]	[●]	[●]
Printing and Stationery and postage expenses, Advertising and Marketing expenses	[●]	[●]	[●]
Statutory & other expenses	[●]	[●]	[●]
<b>Total Estimated Issue Expenses</b>	<b>[●]</b>	<b>[●]</b>	<b>[●]</b>



*\*\*SCSBs will be entitled to a processing fee of Rs. 10/- (plus applicable taxes) per Application Form for processing of the Application Forms procured by other Application Collecting Intermediary and submitted to them subject to total processing fees to SCSBs being maximum of Rs 1.00 million (plus applicable GST). Selling commission payable to Registered broker, SCSBs, RTAs, CDPs on the portion directly procured from Retail Individual Applicants and Non Institutional Applicants, would be 0.35% and 0.20% on the Allotment Amount on the Applications wherein shares are allotted. Further, the Members of Syndicate, brokers, RTAs and CDPs will be entitled to bidding charges of ₹ 20.00 (plus applicable service tax) per valid ASBA Form. The total bidding charges payable to Members of Syndicate, brokers, RTAs and CDPs will be subject to a maximum cap of Rs 2.00 million (plus applicable GST). In case the total bidding charges payable to Members of Syndicate, brokers, RTAs and CDPs exceeds Rs 2.00 million, then the amount payable to Members of Syndicate, brokers, RTAs and CDPs would be proportionately distributed based on the number of valid applications such that the total bidding charges payable does not exceed Rs 2.00 million. The terminal from which the Bid has been uploaded will be taken into account in order to determine the total bidding charges payable to the relevant RTA/CDP.*

#### **Funds Deployed and Source of Funds Deployed:**

M/s Kavita Rawat, Chartered Accountants vide their certificate dated September 03, 2018 have confirmed that as on date of certificate the following funds have been deployed for the proposed object of the Issue:

Particulars	Amt (₹ in million)
Laying of OFC Cable	396.30
Issue Expenses	9.88
<b>Total</b>	<b>406.18</b>

#### **Sources of Financing for the Funds Deployed:**

M/s Kavita Rawat, Chartered Accountants vide their certificate dated September 03, 2018 have confirmed that as on date of certificate the following funds have been deployed for the proposed object of the Issue:

Particulars	Amt (₹ in million)
Laying of OFC Cable	396.30
Issue Expenses	9.88
<b>Total</b>	<b>406.18</b>

#### **Appraisal**

None of the Objects have been appraised by any bank or financial institution or any other independent third party organization.

#### **Bridge Financing Facilities**

As on the date of the Red Herring Prospectus, we have not raised any bridge loans which are proposed to be repaid from the Net Proceeds.

#### **Means of Finance**

The entire requirement of funds towards objects of the Issue, will be met from the Net Proceeds. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Fresh Issue.

#### **Monitoring Utilization of Funds**

Our Company has appointed Yes Bank Limited as the monitoring agency for monitoring the utilization of the Net Proceeds. Pursuant to the SEBI Listing Regulations, our Company shall on a quarterly basis disclose to the Audit Committee the use and application of the Net Proceeds. Additionally, the Audit Committee shall make the recommendations to our Board for further action, if appropriate. Till such time as all the Issue Proceeds have been utilized in full, our Company shall prepare an annual statement, certified by our Statutory Auditors in respect of funds utilised for purposes other than those stated in this Red Herring Prospectus and place it before the Audit Committee.

Further, in terms of Regulation 32 of the SEBI Listing Regulations, our Company will furnish a quarterly statement on deviations and variations, if any, in the use of proceeds from the objects stated in this Red Herring Prospectus, to the Audit Committee for review, and post such review, submit the statement with the Stock Exchanges in accordance

with the SEBI Listing Regulations. This statement would also be published in the newspapers, after placing it before the Audit Committee and its explanation in the Directors' report in the annual report of the Company, in accordance with Regulation 47 and other applicable provisions of SEBI Listing Regulations.

#### **Interim Use of Proceeds**

Pending utilization of the Issue proceeds of the Issue for the purposes described above, our Company will deposit the Net Proceeds with scheduled commercial banks included in schedule II of the RBI Act.

Our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any listed company or for any investment in the equity markets or investing in any real estate product or real estate linked products.

#### **Variation in Objects**

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Issue without our Company being authorised 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 made thereunder. As per the current provisions of the Companies Act, our Promoters 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.

#### **Other confirmations**

There is no material existing or anticipated transactions with our Promoter, our Directors, our Company's key Managerial personnel and Group Companies, in relation to the utilisation of the Net Proceeds. 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, except in the normal course of business and in compliance with applicable law.

## BASIS FOR ISSUE PRICE

The Issue Price will be determined by our Company in consultation with the BRLM on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 10 each and the Issue Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band. Investors should also refer to “Our Business”, “Risk Factors”, “Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 113, 18, 159 & 371, respectively of this Red Herring Prospectus to have an informed view before making an investment decision.

### Qualitative Factors

Some of the qualitative factors which form the basis for computing the Issue Price are:

1. Established Optic fiber network in India.
2. Strong project management and execution capabilities.
3. Efficient Business Model.
4. Long standing customer relationships with strong repeat business.
5. Experienced Promoters, management team and skilled workforce.
6. Quality Certification.
7. Co-ordial relationship with our Suppliers and Contractors.

For further details, see “Our Business – Our Competitive Strengths” on page 114 of this Red Herring Prospectus.

### Quantitative Factors

The information presented below relating to our Company is based on the standalone and consolidated Restated Financial Statements. For further details, see “Financial Statements” beginning on page 159 of this Red Herring Prospectus.

Some of the quantitative factors which may form the basis for calculating the Issue Price are as follows:

#### 1. Basic & Diluted Earnings per share (EPS) (Face value of ₹ 10 each), as adjusted for change in capital:

As per the Restated Standalone Financial Statements:

Period ended	Basic & Diluted (₹)	Weights
March 31, 2018	20.99	3
March 31, 2017	7.45	2
March 31, 2016	4.37	1
<b>Weighted Average</b>	<b>13.71</b>	

As per the Restated Consolidated Financial Statements:

Period ended	Basic & Diluted (₹)	Weights
March 31, 2018	20.95	3
March 31, 2017	7.45	2
March 31, 2016	4.37	1
<b>Weighted Average</b>	<b>13.69</b>	

#### Notes:

- The figures disclosed above are based on the restated financial statements of the Company.
- The face value of each Equity Share is ₹ 10.00.
- The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in Annexure IV.,
- The ratios have been computed as below:
  - Basic EPS (in ₹) = Net profit after tax as restated, attributable to equity shareholders divided by weighted average number of equity shares outstanding
  - Diluted EPS (in ₹) = Net profit after tax as restated, divided by weighted average number of diluted equity shares outstanding during the year

## 2. Price Earning (P/E) Ratio in relation to Price Band of ₹ [•] to ₹ [•] per Equity Share:

Particulars	P/E at the lower end of the Price Band (number of times)	P/E at the higher end of the Price Band (number of times)
Based on basic EPS for the year ended March 31, 2018 on an standalone basis	[•]	[•]
Based on basic EPS for the year ended March 31, 2018 on a consolidated basis	[•]	[•]
Based on the Weighted Average EPS on an standalone basis	[•]	[•]
Based on the Weighted Average EPS on an consolidated basis	[•]	[•]

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

As per Restated Standalone Financial Statements:

Period	RONW (%)	Weights
March 31, 2018	57.27	3
March 31, 2017	47.58	2
March 31, 2016	44.43	1
<b>Weighted Average</b>	<b>51.90</b>	

\*Return on Net worth (%) = Restated Profit after tax/Net Worth as restated

As per Restated Consolidated Summary Statements:

Period	RONW (%)	Weights
March 31, 2018	57.23	3
March 31, 2017	47.63	2
March 31, 2016	44.50	1
<b>Weighted Average</b>	<b>51.91</b>	

\*Return on Net worth (%) = Restated Profit after tax/Net Worth as restated

## 4. Minimum Return on Net Worth after Issue to maintain Pre-Issue EPS

- Based on Standalone Basic and Diluted EPS, as restated of FY 2017-18
  - at the Floor Price - [•]
  - at the Cap Price - [•]
- Based on Consolidated Basic and Diluted EPS, as restated of FY 2017-18
  - at the Floor Price - [•]
  - at the Cap Price - [•]
- Based on Standalone weighted average Basic and Diluted EPS, as restated of FY 2017-18
  - at the Floor Price - [•]
  - at the Cap Price - [•]
- Based on Consolidated weighted average Basic and Diluted EPS, as restated of FY 2017-18
  - at the Floor Price - [•]
  - at the Cap Price - [•]

## 5. Net Asset Value (NAV) per Equity Share (Face Value ₹ 10 each):

As at	NAV Standalone (₹)	NAV Consolidated (₹)
March 31, 2018	36.65	36.60
March 31, 2017	15.66	15.64
March 31, 2016	9.84	9.82
At Floor Price	[•]	[•]
At Cap Price	[•]	[•]
At Issue Price	[•]	[•]

*Net Asset Value per Equity Share = Net Worth at the end of the period/year divided by weighted average number of Equity Shares outstanding at the end of year/period.*

## **6. Comparison of Accounting Ratios with Industry Peers**

We believe that none of the listed companies in India are engaged in a portfolio of business similar to ours.

## **7. The Issue price is [●] times of the face value of the Equity Shares.**

The Issue Price of ₹ [●] has been determined by our Company in consultation with the BRLM, on the basis of demand from investors for Equity Shares through the Book Building Process and, is justified in view of the above qualitative and quantitative parameters.

Investors should read the above mentioned information along with “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and “*Financial Statements*” beginning on pages 18, 113, 371 & 159 respectively of this Red Herring Prospectus to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the “*Risk Factors*” and you may lose all or part of your investments.

**STATEMENT OF TAX BENEFITS****STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS**

The Board of Directors  
**Dinesh Engineers Limited**  
**DEPL House, Neighbourhood Shopping Complex,**  
**Sector-4, Nerul, Navi Mumbai- 400706**  
**Maharashtra, India.**

Dear Sirs

**Statement of possible income-tax benefits ('the Statement') available to Dinesh Engineers Limited ('the Company') and its shareholders prepared in accordance with the requirement in Schedule VIII – Clause (VII) (L) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009, as amended ('SEBI Regulations')**

We hereby report that the enclosed Annexure prepared by the Company, states the possible income-tax benefits available to the Company and its shareholders under the Income-tax Act, 1961 ('the 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 statutory provisions of the Act. Hence, the ability of the Company or its shareholders to derive the income-tax benefits is dependent upon fulfilling such conditions, which, based on business imperatives the Company faces in the future, the Company or its shareholders may or may not choose to fulfil.

The benefits discussed in the enclosed Annexure are not exhaustive. Further, the preparation of the Annexure and its contents is the responsibility of management of the Company. We are informed that this Annexure is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional income-tax advice. In view of the individual nature of the income-tax consequences and changing income-tax provisions, each investor is advised to consult with his or her own tax consultant with respect to the specific tax implications arising out of their participation in the offer for sale of equity shares by the Company. Neither are we suggesting nor are we advising the investor to invest money based on this Annexure.

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

1. the Company or its shareholders will continue to obtain these benefits in the future; or
2. the conditions prescribed for availing of the benefits have been/would be met.
3. That the revenue authorities / appellate authorities / courts will concur with the views expressed in the enclosed statement.

The contents of the enclosed Annexure are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

Our views expressed herein are based on the facts and assumptions indicated to us. Our views are based on the existing provisions of the income-tax law and their interpretation, which are subject to change from time to time. We do not assume responsibility to update this Annexure consequent to such changes. We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this Annexure.

The enclosed Annexure is intended solely for your information and for inclusion in the Draft Red Herring Prospectus, Red Herring Prospectus, the Prospectus in connection with the proposed issue of equity shares and is not to be used, referred to or distributed for any other purpose without our prior written consent. We hereby give consent to include this Statement in the Draft Red Herring Prospectus, Red Herring Prospectus, the Prospectus and in any other material used in connection with the Proposed Issue.

For **Nair & Nair Associates**  
*Chartered Accountants*  
Firm's Registration No.:1177 29W

**Sreekumar Nair**

*Partner*

Membership No: **042862**

Date-March 16, 2018

Place-Mumbai



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**ANNEXURE TO STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA**

*Outlined below are the possible Special tax benefits available to the Company and its shareholders under the tax laws in force in India. These benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Company or its shareholders to derive the special tax benefits is dependent upon fulfilling such conditions, which based on business imperatives it faces in the future, it may not choose to fulfill.*

**1. SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY**

There are no special tax benefits available to the Company under the provisions of the Income Tax Act, 1961.

**2. SPECIAL TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS OF THE COMPANY**

There are no special tax benefits available to the shareholders of the company.

**Note:** *All the above benefits are as per the current provisions of the Income Tax Act, 1961 and any change or amendment in the laws/regulation, which when implemented would impact the same.*

*We have not commented on the taxation aspect under any law for the time being in force, as applicable, of any country other than India. Each investor is advised to consult its own tax consultant for taxation in any country other than India.*

## SECTION IV – ABOUT THE COMPANY INDUSTRY OVERVIEW

Unless otherwise specified, all of the information and statistics in this section are extracted from an industry report entitled “Research Report on Telecom Sector and Allied Sector by Care Advisory” prepared by CARE Advisory. Our Company, the BRLM and any other person connected with the Issue has not independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Accordingly, investors should not place undue reliance on, or base their investment decision on this information. Please see “Risk Factors” beginning on page 18 of this Red Herring Prospectus for more information.

Further, in this regard, CARE Advisory has issued the following disclaimer:

*This report is prepared by CARE Advisory. CARE Advisory has taken utmost care to ensure accuracy and objectivity while developing this report based on information available in public domain. However, neither the accuracy nor completeness of information contained in this report is guaranteed. CARE Advisory operates independently of ratings division and this report does not contain any confidential information obtained by ratings division, which they may have obtained in the regular course of operations. The opinion expressed in this report cannot be compared to the rating assigned to the company within this industry by the ratings division. The opinion expressed is also not a recommendation to buy, sell or hold an instrument.*

*CARE Advisory is not responsible for any errors or omissions in analysis/inferences/views or for results obtained from the use of information contained in this report and especially states that CARE (including all divisions) has no financial liability whatsoever to the user of this product. This report is for the information of the intended recipients only and no part of this report may be published or reproduced in any form or manner without prior written permission of CARE Advisory.*

### **Global Economy**

As per International Monetary Fund (IMF) October 2017 World Economic Outlook (WEO), the global growth forecast for 2017 and 2018 is 3.6 percent and 3.7 percent, respectively. The growth rate for emerging market and developing economies is forecast to rise to 4.6 percent in 2017, 4.9 percent in 2018 and about 5 percent over the medium term. This Growth forecast primarily reflects stronger projected activity in China and in emerging Europe for 2017 and 2018.

The US economy is projected to expand at 2.2 percent in 2017 and 2.3 percent in 2018. The projection of a continuation of near-term growth that is moderately above potential reflects very supportive financial conditions and strong business and consumer confidence. Over a longer horizon, US growth is expected to moderate. Potential growth is estimated at 1.8 percent, reflecting the assumption of continued sluggish growth in total factor productivity and diminished growth of the workforce due to population aging. The euro area recovery is expected to gather strength this year, with growth projected to rise to 2.1 percent in 2017, before moderating to 1.9 percent in 2018. The growth in 2017 mostly reflects acceleration in exports in the context of the broader pickup in global trade and continued strength in domestic demand growth supported by accommodative financial conditions amid diminished political risk and policy uncertainty. Growth in the United Kingdom is projected to subside to 1.7 percent in 2017 and 1.5 percent in 2018. The slowdown is driven by softer growth in private consumption as the pound’s depreciation weighed on household real income. The medium-term growth outlook is highly uncertain and will depend in part on the new economic relationship with the EU and the extent of the increase in barriers to trade, migration, and cross-border financial activity.

In China, growth is projected to notch up to 6.8 percent in 2017, and to slow to 6.5 percent in 2018. The upward revision to the 2017 forecast reflects the stronger-than-expected outturn in the first half of the year underpinned by previous policy easing and supply-side reforms.

In the rest of emerging market and developing Asia, growth is expected to be vigorous. Strong government spending and data revisions in India led to an upward revision of 2016 growth to 7.1 percent with upward revisions of about 0.2 percentage point, on average, for 2014 and 2015. However, the growth projection for 2017 has been revised down to 6.7 percent reflecting still lingering disruptions associated with the currency exchange initiative introduced in November 2016, as well as transition costs related to the launch of the national Goods and Services Tax in July 2017. The latter move, which promises the unification of India’s vast domestic market, is among several key structural reforms under implementation that are expected to help push growth above 8 percent in the medium term. In the

ASEAN-5 economies (Indonesia, Malaysia, Philippines, Thailand, Vietnam), growth is expected to strengthen in 2017 to 5.2 percent, partly because of stronger-than-expected external demand from China and Europe.

Global growth is forecast to increase marginally beyond 2018, reaching 3.8 percent by 2021. With growth in advanced economies projected to gradually decline toward potential growth rates of about 1.7 percent once economic slack is eliminated, this further pickup in global activity is entirely driven by emerging market and developing economies. In these countries, growth is projected to increase to 5 percent by the end of the forecast period, with their impact on global activity boosted by their rising world economic weight. This forecast assumes some strengthening of growth in commodity exporters, though to rates much more modest than in 2000–15; a gradual increase in India's growth rate resulting from implementation of important structural reforms; continued strong growth in other commodity importers; and a lower but still high trend growth rate in China.

**Real GDP Growth (%) for Asian Pacific Economies is given below:**

	2016	2017	2018
<b>Asia</b>	<b>5.4</b>	<b>5.6</b>	<b>5.5</b>
<b>Advanced Asia</b>	<b>1.7</b>	<b>2.2</b>	<b>1.7</b>
Japan	1.0	1.5	0.7
Korea	2.8	3.0	3.0
Australia	2.5	2.2	2.9
Taiwan	1.5	2.0	1.9
Singapore	2.0	2.5	2.6
Hong Kong SAR	2.0	3.5	2.7
New Zealand	3.6	3.5	3.0
Macao SAR	(2.1)	13.4	7.0
<b>Emerging and Developing Asia</b>	<b>6.4</b>	<b>6.5</b>	<b>6.5</b>
China	6.7	6.8	6.5
India	7.1	6.7	7.4
<b>ASEAN-5</b>	<b>4.9</b>	<b>5.2</b>	<b>5.2</b>
Indonesia	5.0	5.2	5.3
Thailand	3.2	3.7	3.5
Malaysia	4.2	5.4	4.8
Philippines	6.9	6.6	6.7
Vietnam	6.2	6.3	6.3
<b>Other Emerging and Developing Asia</b>	<b>5.6</b>	<b>6.3</b>	<b>6.3</b>
<b>Memorandum</b>			
<b>Emerging Asia</b>	6.5	6.5	6.5

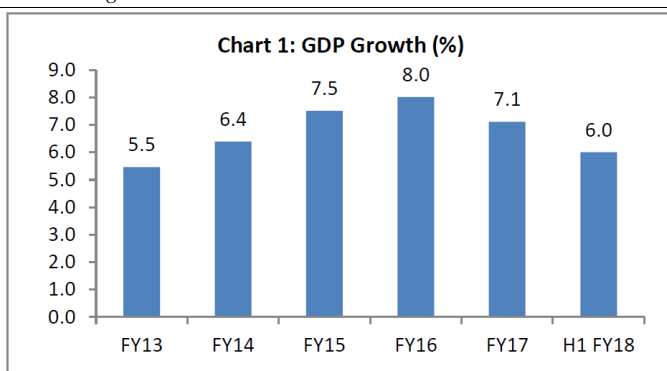
(Source: International Monetary Fund)

### Indian Economy

- India's economic performance**

India has become the fastest growing major economy in the world according to the Central Statistics Organization (CSO) and the International Monetary Fund (IMF). According to the 2016-17 Economic Survey, India's economy should grow between 6.75 and 7.5 percent in fiscal year 2017-18.

- GDP growth**



Source: MOSPI

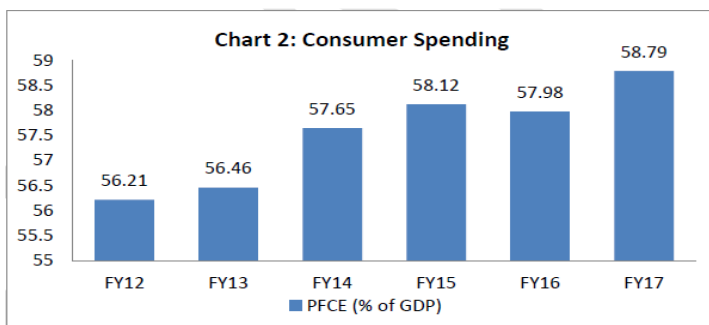
India has seen a sustained improvement in its economic performance over the years and is one of the fastest growing economies of the world, with GDP growth rising from 5.5% in FY13 to 8% in FY16. The domestic economic growth has been consumption driven, while investments have been subdued in recent years. The economy saw a moderation in economic output in FY17 owing to the government's surprise demonetization of high value currencies in third quarter, which led a cash crunch in the country, adversely impacting economic activity. The economy nevertheless grew by a favourable 7.1% in FY17.

The Indian economic performance is slated to improve in the last 2 quarters of FY18. IMF projects India's GDP to grow by 6.7% in 2017 and 7.4% in 2018. It has been revised downwards from the earlier projections of 7.2% in 2017 and 7.7% in 2018 citing the disruptions related to demonetisation and implementation of GST.

#### • Population and demography

- The population of India as per the 2011 census stood at 1.21 billion, an 18% increase from 1.03 billion in 2001. India is expected to be the World's most populous country by 2022.
- The birth rate in India has been recorded at 20.4 per 1000 population in 2016, lower than 20.8 per 1000 in 2015 as per Central Bureau of Health Intelligence.
- The sex ratio is 900 females per 1000 males in 2015 lower than 906 females in the previous year.
- The death rate in India was 6.4 per 1000 population in 2016 lower than 6.5 per 1000 population in the previous year.
- The infant mortality rate has witnessed decline over the years. It fell to 34 per 1000 live births in 2016 from 37 per 1000 live births in 2015.
- The fertility rate is 2.3 births per women in 2015
- The urbanisation rate in India as a percentage of total population increased from 27.82% in 2001 to 31.15% in 2011 as per census.

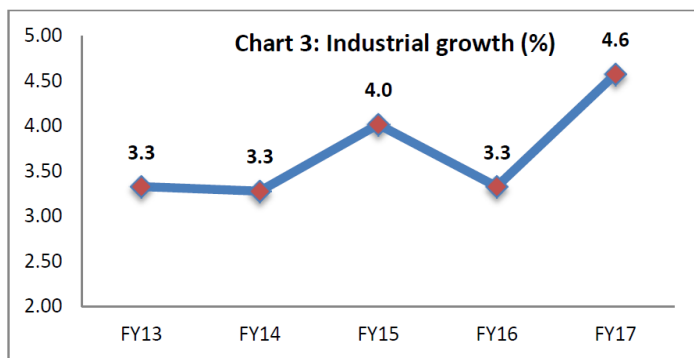
#### • Consumer spending



Source: MOSPI

Private consumption accounts for around 58% of India's GDP. There has been an increase in domestic consumption over the years. It increased consistently from 56.21% of GDP in FY12 to 58.12% of GDP in FY15 indicating increased private consumption in the country.

- **Industrial growth**

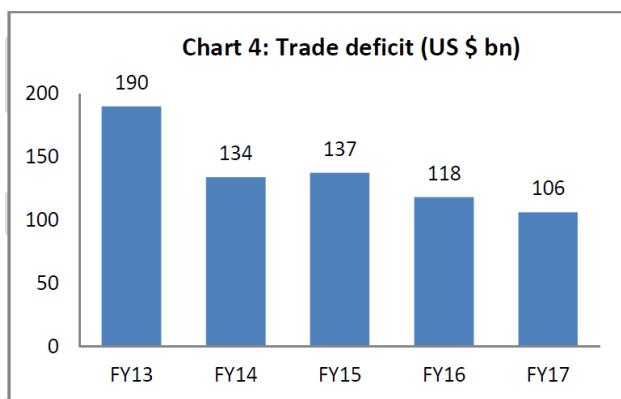


Source: MOSPI

Industrial performance improved in FY17 and grew by 4.6% as against 3.3% growth in FY16 with improved performance across segments. The higher industrial growth can be attributed to the better industrial output growth rates in the first 8 months of FY17 i.e. April-November before demonetisation, in which period it grew at the rate of 5.5%. After demonetisation the industrial activities declined and grew by 2.9% during Dec'16-March'17, limiting the growth for the entire year.

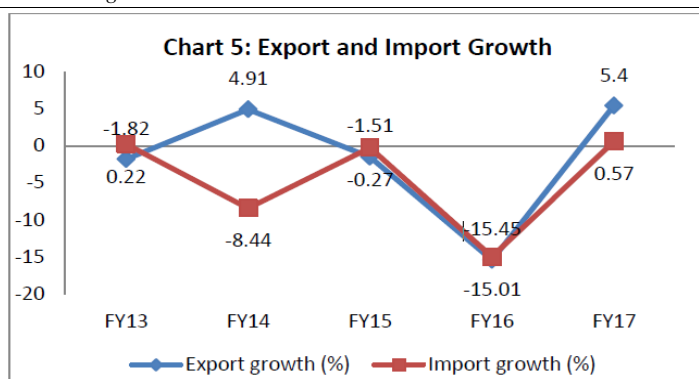
- **Trade performance**

In FY17, India's trade balance registered a noteworthy improvement largely aided by the fall in imports and improvements in exports. The fall in imports was largely on account of the decline in the global crude oil prices which reduced countries import bill. During the year, exports grew by 4.71%. On the other hand, imports contracted by (-) 0.17% in FY17. The trade deficit narrowed by 14.5% in FY17 compared to FY16. Merchandise trade deficit for FY17 was 11% lower than the previous year.



Source: Ministry of Commerce and Industry.

In FY18, in the first 7 months (Apr-Oct), the trade deficit of India widened due to increase in imports that are largely driven by the rise in global oil prices. While the growth in exports for the 7-months period ending October was 9.6% against 0.1% last year Imports grew by 22.2% after two negative growth rates for the period April-October 2015 and 2016. Higher economic growth in India and the world has translated into higher levels of trade activity which in turn has widened the deficit. The trade deficit widened to \$ 86.2 bn than \$54.5 bn in FY17 (Apr-Oct).



Source: Ministry of Commerce and Industry.

### Road Ahead

According to the World Bank, the Indian economy will likely grow at 7.6 per cent in 2016-17, followed by further acceleration to 7.7 per cent in 2017-18 and 7.8 per cent in 2018-19.

According to GoI, Indian economy would continue to grow at 7 to 9 per cent and would double in size to US\$ 4-5 trillion in a decade, becoming the third largest economy in absolute terms.

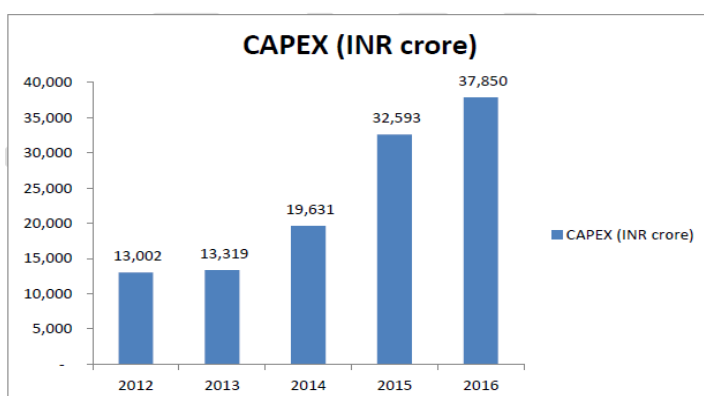
(Source: Industry Source)

### Overview of Telecom Industry in India

The Indian telecom industry is the second largest in the world by number of subscribers. The sector has witnessed exponential growth over the last few years primarily driven by affordable tariffs, wider availability, roll out of Mobile number portability (MNP), 3G and 4G, evolving consumption patterns of subscribers and conducive regulatory environment.

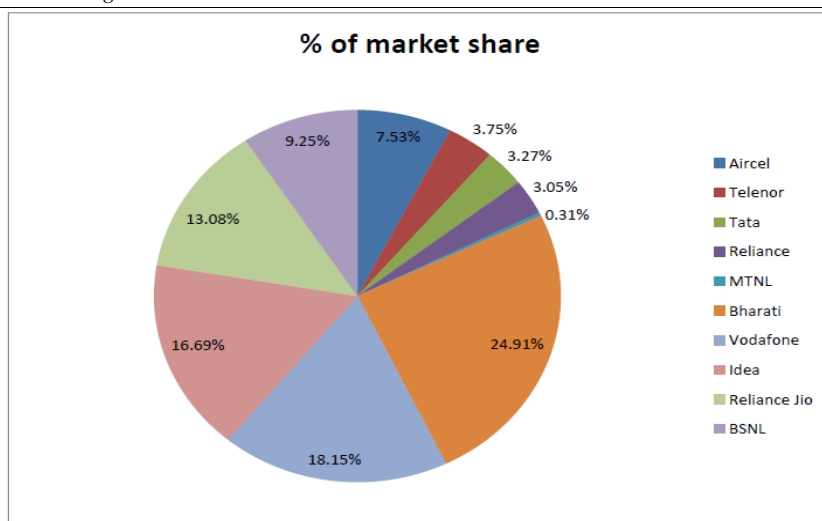
The telecom sector has grown at 19.6 per cent CAGR in terms of subscriber base and at 7.07 per cent CAGR from a revenue perspective over the last few years.

Telecom Service Providers have continued to invest in their networks and modernise their existing network infrastructure. Operators CAPEX investments stand at INR 85003 crore during Q1 2017 and the below figure depicts the significant CAPEX investment during the period 2012- 2016:



(Source: KPMG report)

As on 30th November, 2017, the private access service providers held 90.44% market share of the wireless subscribers whereas BSNL and MTNL, the two PSU access service providers, had a market share of only 9.56% as represented below:



(Source: TRAI)

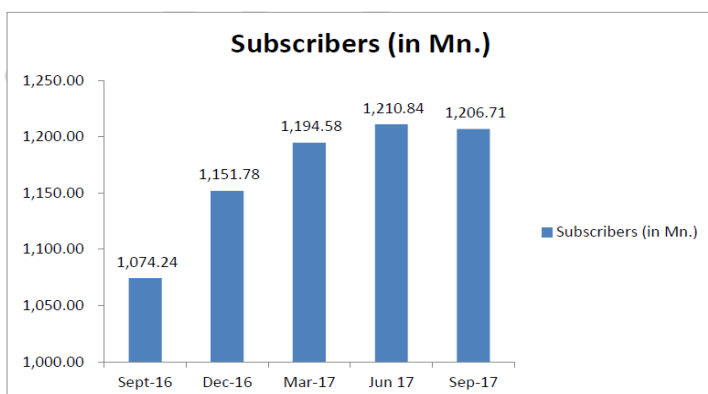
Telecom market also includes internet services. With increase in use of internet subscribers for the internet services has also increased. Internet subscribers mainly consist of broadband category. Top five service providers, as detailed below, constituted 92.92% market share of the total broadband subscribers at the end of November 2017.

Name of Players	Subscribers (in million)	% of share
Reliance Jio	152.08	43.36%
Bharti Airtel	69.38	19.78%
Vodafone	50.16	14.30%
Idea Cellular	32.90	9.38%
BSNL	21.37	6.09%
Others	24.81	7.07%
<b>Total Broadband Subscribers</b>	<b>350.70</b>	

(Source: TRAI)

### Trends in Telephone Subscribers

The Total number of telephone subscribers in India as on 30th November 2017 was 1,185.88 million. Out of the total subscribers, 98.03% were wireless and 1.97% were wireline. 57.75% of total subscribers consist of subscribers from urban area whereas 42.25% of total subscribers were rural subscribers. Total subscribers for quarter ended September 2017 was 1,206.71 which has registered a growth of 12.33% over the same quarter of last year gradually as given below:



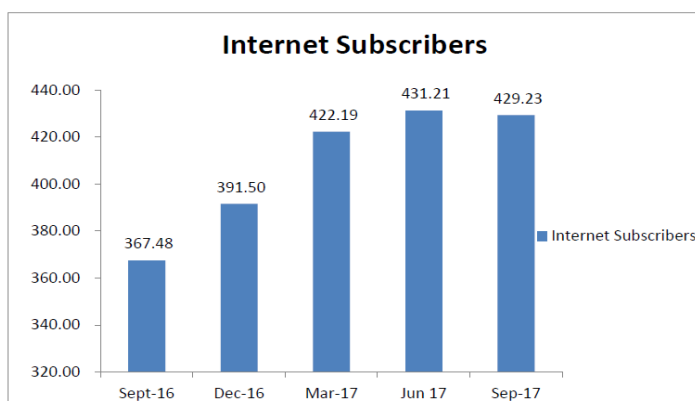
(Source: TRAI)

### Trends in Internet Subscribers



Total number of internet subscription as on September 2017 was 429.23 million out of which wired internet subscribers were 21.35 million and wireless internet subscribers were 407.88 million.

The internet subscribers have registered growth of 16.80% y-o-y from September 2016 to September 2017. Quarter wise Trends for internet subscription for past one year are given below:



(Source: TRAI)

### Fiber and Broadband network overview

India is home to an infrastructure network comprising of over 450,000 towers and over 1.25 million kilometers of fiber. The Indian tower industry has also been on an upward trajectory owing to the growth of telecom sector, grant of 'infrastructure status' and its unique business model based on 'infrastructure sharing'. The model is meant to drive efficiencies and synergies and the era of multiple operators allowed that to happen very successfully leading to upfront savings in capex and time to market.

Detailed optical fiber connectivity plan pertaining to various blocks and GPs, as per BBNL Web site is as given below:



Below table depicts the status of Bharta Net program as on 07/01/2018:

S.N.	Description of Work	Status
1.	OFC Pipe laid	2,59,547 Kms (1,14,717 GPs)
2.	Optical Fibre laid	2,56,758 Kms (1,10,483 GPs)
3.	Tenders Finalized	3334 Blocks / 1,24,757 GPs
4.	Work Started*	3276 Blocks / 1,21,915 GPs
5.	Current Weekly performance of Optical Fibre laying	1863Kms
6.	Current Weekly performance of OFC Pipe laying	828Kms
7.	Optical Fibre Cable Delivered on site	3,15,370 Kms
8.	Service Ready GPs	1,01,492 GPs

\* does not include data of Andhra Pradesh.

(Source: BBNL website)

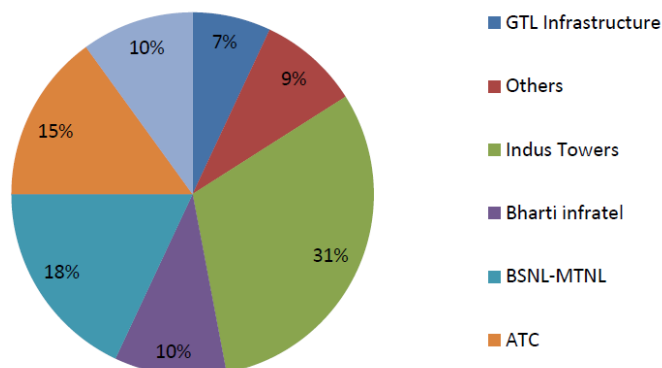
The government estimates that the second phase of BharatNet will double the existing optical fiber footprint in the country and generate employment of 10 crore mandays during the rollout of the project.

### Emergence of Tower Industry

Growth in telecom sector has helped India emerge as a trendsetter in the tower infrastructure segment.

Presently, India has a little over 4.5 lakh towers with Indus Towers with nearly 1,23,000 the leader followed by Bharti Infratel with about 91,000, state-run Bharat Sanchar Nigam with 65,000, ATC with 58,000, GTL Infrastructure nearly 28,000, Reliance Infratel, 43,600, Tower Vision India 9,000 and Ascend Telecom Infra.

Market share of Tower Companies in India is exhibited below:



(Source: Bloomberg)

According to an ASSOCHAM-KPMG joint study, telecom tower industry's tenancy ratios is expected to increase to 2.9 times by March 2020 from 1.95 times as of March 2015. As of April 2017, Bharti Infratel-Indus Towers combined entity was having tenancy ratio of 2.3 times against the industry average of 1.9 times.

### BRIEF ON OPTICAL FIBER SEGMENT

Optical Fiber is the primary communication media for broadband services. Whether it is 4G data services, Cable TV services or E-health, E-commerce, E-Education etc., optical fiber through its ability to carry virtually unlimited bandwidth provides the most viable medium for carrying the digital signals.

### Indian Optical Fiber Industry Outlook

India has an established backbone network connecting states with each other and centre. While FOC network exists till the block level, backhaul network is yet to be brought to Optical Fiber Cable Network. Almost 80-90% tower backhaul connections are still on microwave links and they do not offer support for higher bandwidth capacities. The benefits of fiber are that it has nearly unlimited bandwidth potential. Besides with increase in rural penetration, scarcity of spectrum is likely to increase further and consequently the demand of FOC for backhaul as well as BTS access will be on the rise.

## Government Initiative & Budget Support for Optical Fiber Industry

Nationwide connectivity projects launched by the government such as National Optical Fiber Network (NOFN)/ Bharatnet and National Fiber Spectrum (NFS), and the rollout of 4G/5G in the country are bound to boost data transmission volumes, thereby making expansion of OFC installations critical for supporting the planned network expansions. In addition, next generation technologies such as LTE and FTTx, which require last mile connectivity, is expected to propel the demand for optical fiber cables in the coming years.

## Global Outlook of the Optical Fiber Industry

The global optical fiber market is estimated to grow at a CAGR of 11.7% during the forecast period 2016 - 2025 and accounts for US\$ 27.88 Bn in the year 2025.

The global optical fiber market is segmented based on types as: step indexed optical fiber and graded indexed optical fiber. On the basis of end-user optical fiber market can be further divided into Broadcast, IT & Telecom, and Industrial, Defense, Medical and Others.

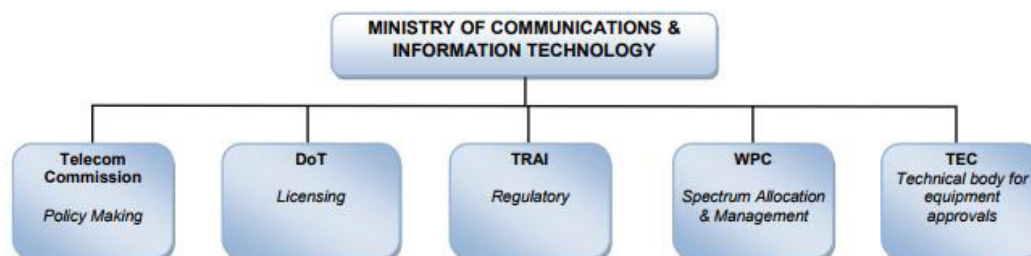
One of the prime factors that are driving the demands for optical fiber cables is the growing needs for fast and improved networking and network services and growing penetration of broadband connections among developed and developing countries. Governments of various countries worldwide have laid their stress on the reach of high speed internet services in urban and rural areas of their countries. A fiber optic cable ensures maximum reach out of services with very less attenuations, higher bandwidths and greater reliability over longer distances as a result of which there has been a meteoric rise in its implementations in various corners of the globe.

## Need for High Speed Connectivity

The increasing need for 24x7 high-speed connectivity and increased traffic generation from voice, messaging, emails, games, downloads, mobile internet access, video streaming & other services have unleashed the benefits of optical fiber cable networks.

## REGULATORY FRAMEWORK

The overall Telecom Regulatory landscape is given below:



The important departments that regulate the telecom industry in India are as follows:

- **Telecom Commission:** The Telecom Commission is an inter-ministerial high level government body. The Commission consists of a Chairman, four full time members, who are ex-officio, Secretary to the Government of India in the Department of Telecommunications and four part time members who are the secretaries to the Government of India of the concerned Departments.
- **Department of Telecommunications (DoT):** The Central Government acts through the DoT. Some of the important functions of the DoT are as follows:
  - licensing and regulation international cooperation in matters connected with telecommunications (such as International Telecommunication Union (ITU), International Telecommunication Satellite Organization (INTELSAT), etc;
  - promotion of private investment in the Indian telecommunications sector;
  - promotion of standardization, research and development in telecommunications.

- **Telecom Regulatory Authority of India (TRAI):** TRAI is an autonomous statutory body established under TRAI Act, 1997. TRAI is the sole authority empowered to take binding decisions on the fixation of tariffs for provision of telecommunication services.
- **Telecom Disputes Settlement and Appellate Tribunal (“TDSAT”):** The TDSAT was established in 2000 under an amendment to the Telecom Regulatory Authority of India Act, 1997. The TDSAT has been vested with exclusive powers to adjudicate any dispute between: the licensor (DoT) and a licensee; service providers; and service providers and groups of customers.
- **Wireless Planning and Co-ordination Wing (“WPC”):** The WPC was created in 1952 and is a wing of the DoT which is responsible for Frequency Spectrum Management, including licensing of wireless stations and caters to the needs of all wireless users (Government and Private) in India.

Following Laws are normally applicable to Telecom Industry in specific:

- The Indian Telegraph Act, 1885
- The Indian Wireless Telegraphy Act, 1933
- The Telecom Regulatory Authority of India Act, 1997
- The Information Technology Act, 2000

#### **Recent TRAI Recommendation with respect to Telecom Infrastructure**

*TRAI in its report dated 20th January 2017, has recommended that DoT should take up the matter with the Ministry of Urban Development to ensure that Suitable provision for the creation of Common Telecom Infrastructure (CTI) inside the newly constructed public places like Airports, commercial complexes and residential complexes should form part of the Model Building Bye-Laws.*

#### **DEMAND DRIVERS**

- **Uniformity in guidelines for telecom tower installation in government premises**

Site acquisition is one of the major operational challenges with respect to tower installations. To ease the site acquisition process, the government has rolled out an initiative whereby tower providers will be allowed to install telecom towers on government sites. As government buildings are well spread out in important locations of the country, they can act as a crucial enabler for improving connectivity for mobile phone users.

- **Digital India Initiative:**

Government of India (GOI) launched the ‘Digital India’ initiative in July 2015 which had three broad targets – providing Digital Infrastructure as a core utility to every citizen, Governance and Services on Demand as well as Digital empowerment of citizens. One of the projects under the ‘Digital India’ initiative was ‘BharatNet’, launched to deploy high-speed optical fiber cables to connect 2.58 lakh Gram Panchayat across the country by 2018.

- **Subsidy to Telcos:**

The government has proposed a subsidy of Rs.3,600 crore to private telcos such as Bharti Airtel, Vodafone India, Idea Cellular and Reliance Jio through viability gap funding, for setting up Wi-Fi in rural areas as part of the second phase of the BharatNet project. This would encourage investments by private players which in turn would drive the demand for optical fiber segment.

- **Increasing demand for internet:**

With increasing the technology savvy population, number of internet users has been increasing over the years. With the increase in urbanization and expanding E-retailing and E-commerce, internet demand is picking up.

#### **OUTLOOK FOR THE INDUSTRY**

India has one of the fastest growing telecommunications sector with over 1.1 billion connections. It is the second largest in the world while continuing to grow at a Compounded Annual Growth Rate (CAGR) of 19.6 per cent from FY’07-17. Driven by an exponential surge in data consumption in the recent few years, India ranks among top five countries across the world in highest internet users and is speculated to rank as the fourth largest market by the year 2020 with two out of every three mobile phones to be smart phones.

Optical Fiber Cable (OFC) continues to be the backbone of the digital world. With rapid spread of broadband connectivity and increasing usage of internet towards online financial transactions and sharing of confidential data, the need for secure transmission of data is gaining prominence. Exponential increase in the digital population and a consequential explosion in data consumption are necessitating the increase in carriage capacity and speed of the OFC network. Emerging trends in overhead carriage lines are opening up newer consumption possibilities of OFC.

## Gas Distribution Sector and its Outlook

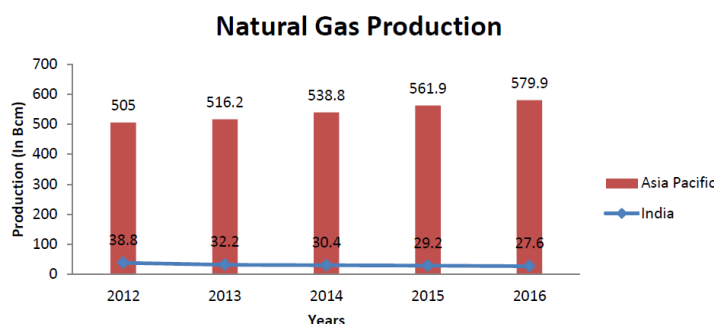
### Indian Natural Gas Industry

The oil and gas sector is among the core industries in India and plays a major role in influencing decision making for all the other important sections of the economy.

In 1997-98, the New Exploration Licensing Policy (NELP) was envisaged to fill the ever-increasing gap between India's gas demand and supply. India's economic growth is closely related to energy demand. Therefore, the need for oil and gas is projected to grow more, thus making the sector remove conducive for investment.

#### Production:

India's natural gas production has reduced at -6.59% CAGR during CY 2012 to CY 2016. The total production in 2016 was reduced to 24.9 MT in oil equivalent (4.7% of share in Asia Pacific production) from 35 MT (7.6% of share in Asia Pacific production) in 2012, which is primarily falling for the fourth straight year. India's production has reduced to 27.6 bcm in CY 2016 from 38.8 bcm in CY 2012.



### Natural Gas pipelines

Pipelines are used to transport Natural Gas. The Pipeline Infrastructure connects various gas sources to different gas markets to meet the existing/ future natural gas demand of various Power, Fertilizer, CGD and other industries in the country. The gas pipeline infrastructure has not only developed the much needed industrialization but has also brought about socio-economic changes in the major regions from where the gas pipeline passes.

Pipeline transportation of gas offers a safe, economic and environmentally sound alternative to most other modes of energy transport.

#### The demand drivers

- Vehicle sales:** With the expansion of CNG pumps across cities there has been a significant increase in CNG car sales. There are around 1,233 CNG stations across the country and 30,42,268 CNG vehicles which is minuscule. Most automobile companies have launched CNG fitted variants for their car models, which should boost volumes. Moreover, the ban on externally fitted CNG kits was lifted in July-17. Owing to this the number of private and commercial vehicles converting to CNG would surge in the near term.
- Mandatory piped gas in building structures:** The government has accorded 'public utility' status to piped cooking gas and has made it mandatory for new building plans to incorporate pipeline infrastructure. This will boost the number of piped gas connections rapidly.
- CNG bus/ auto rickshaw additions:** The Delhi government has announced plans for an addition of 2000 buses in the current fleet along with issuing additional 10,000 auto rickshaw licenses in the coming months. This will boost demand in Delhi thereby benefitting IGL. With growing popularity, other states are expected to follow suit.
- CNG two-wheelers:** Both IGL and MGL are piloting projects for the launch of CNG run two-wheelers. This could boost demand as well.

- **Industrial consumption:** In order to replicate the benefits which CNG has given to the transport segment, cleaner gas fuels are now being promoted for industrial use. This switch would boost the demand from the industrial segment. Delhi has already announced the ban on industrial use of high sulphur fuels in the city and is promoting a switch to cleaner fuels like LNG.
- **Green corridors:** The government has announced plans to build green corridors and ensure CNG stations on highways along Delhi and Mumbai. This could boost demand for gas marketing companies.

Overall, government's policy initiative to switch to cleaner fuels has made the sector grow exponentially in the last decade, and the demand-side boost provides significant tailwinds for gas retail companies. Apart from a few supply-side deficiencies, which can be addressed, the sector has immense potential for growth.

(Source: Moneycontrol)

## OUR BUSINESS

*Some of the information in the following section, especially information with respect to our plans and strategies, contain certain forward-looking statements that involve risks and uncertainties. You should read the section entitled “Forward Looking Statements” beginning on page 16 of this Red Herring Prospectus for a discussion of the risks and uncertainties related to those statements and the section entitled “Risk Factors” beginning on page 18 of this Red Herring Prospectus for a discussion of certain risks that may affect our business, financial condition, or results of operations. Our actual results may differ materially from those expressed in, or implied by these forward-looking statements.*

*Unless otherwise stated, or the context otherwise requires, the financial information used in this section is derived from our Restated Financial Statements included in this Red Herring Prospectus beginning on page 159.*

### Overview

We are a passive communication infrastructure provider Company in India focused on providing passive communication infrastructure services mainly to the Telecom operators and internet service providers (“ISPs”). Our Company was incorporated in 2006 and through the next several years, we are working towards executing the fiber laying work for many Telecom Operators. Our company has been licensed by Department of Telecommunications (DoT) with the Infrastructure Provider (IP)-I License, under which we can establish and maintain wired networks, Duct space for the purpose to grant on lease or sale on IRU basis to the licensees of Telecom operators, ISPs etc. Our key expertise lies in the field of providing support services to telecom vendors which inter alia includes project management for laying of the duct and optic fibre cables, construction of basic transmission and telecom utilities, dark fiber leasing, optical fiber network construction, maintenance of duct and optic fibre and optical fibre project turnkey services to various Telecom network operators & broad band Service operators across the states of India.

Since the receipt of the IP-I license, we have created our own optic fibre network of around 7500 kms which runs across the state of Rajasthan, Gujarat, Maharashtra, Goa, Karnataka, Andhra Pradesh and Telengana. Our wired network infrastructure solutions are used by many Telecom Companies such as Airtel, BSNL, Reliance Jio, Vodafone, Idea, Tata Communication etc. which helps them inter-alia in increasing network’s bandwidth, maximize existing network capacity, improve network performance and availability.

Since the year 2011, we have laid fibre network of around 9500 Kms for the telecom operators under the Vendor projects which run across the states of Maharashtra, Gujarat, Uttar Pradesh, Bihar, Karnataka, Andhra Pradesh, Chhattisgarh, Goa and Rajasthan and are currently being used by companies like BSNL, Airtel, Vodafone, Idea Cellular, Reliance Jio, TTML, BSNL, Reliance Corporate IT Park and TCIL. Apart from laying the network under the Vendor project or own network, we are also engaged in the operations & maintenance activity of the fibre network and preventing the underground optic fiber therein from getting cut due to activities like road repairs, digging and expansion works by various authorities.

The growth and development of our company during the past years have been the result of our customer centric approach and core competence in the field of Telecom Infrastructure. Our main focus and vision is on providing the customers with the desired quality work within the given time frame. Based on the past records and experience in the field of laying the fibre for the Telecom operators, Mahanagar Gas Limited has entrusted us with the laying of its gas pipelines under the city of Mumbai. The gas pipeline laying work will help us to diversify in the field of gas sector and will also open new business avenues for our company. The work of laying the gas pipeline have been undertaken through outsourcing the same to the sub-contractors.

Some of the prominent clients of our Company includes telecom giants like Bharti Airtel Ltd, Idea Cellular, Vodafone, Tata Communications Ltd. etc. as well as ISP clients like Intech, D-vois SSV, Atria, power grid, Hathway, Sify riding on our fibre optic network along several routes. Apart from the above we also have Mahanagar Gas Limited in our client list for gas pipeline work.

Our Company has grown many folds during the past decade under the leadership and guidance of our Promoter, Chairman and Managing Director, Mr. Dinesh Kollaiah Kargal. He has an overall experience of over 27 years in the field of civil construction and Telecom infrastructure sector. He has an experience of laying around 35000 kms during his career which has helped us to execute and undertake many challenging projects which were given up by the telecom companies. His expertise and experience has been instrumental in the growth of our business. His foresightedness and vision have helped us to identify the opportunities well in time and gain advantage of the opportunities.



Our total revenue (gross) was ₹ 3027.78 million (net revenue from operations was ₹ 3021.73 million), ₹ 1699.11 million (net revenue from operations was ₹ 1692.32 million) and ₹ 1225.02 million (net revenue from operations was ₹ 1222.53 million) for the fiscal ended March 31, 2018, 2017 and 2016, respectively, in terms of our Restated Consolidated Financial Statements. The profit after tax of our company as per the restated consolidated financial statements for the fiscal ended March 31, 2018 2017 and 2016 is ₹ 618.01 million, ₹ 219.82 million and ₹ 128.98 million respectively.

### **Our Competitive Strengths**

We believe that the following are our primary competitive strengths:

#### *1. Established Optic fiber network in India*

Over the past years we have created our own fibre optic network of around 7500 Kms which run across Rajasthan, Gujarat, Maharashtra, Goa, Karnataka, Andhra Pradesh and Telengana. Apart from the own network we have also undertaken Vendor Projects and developed a Network of around 9500 Kms for our customers. This fibre network is currently being used by various companies such as companies like telecom operators, cable TV companies, MSOs, ISPs etc. Even after building a network running across 10 states, we are continuously expanding our fibre and duct network so as to be able to serve more customer needs and leverage economies of scale.

With the increase in the number of the Telecom subscribers, internet users and widespread digitalization there has been an increasing need of fibre network. With the recent advancement in the field of Telecommunication, the telecom operators are more focused on taking the fibre network on lease rather than developing and maintaining their own network which is a business opportunity for our company.

#### *2. Strong project management and execution capabilities*

Over the last five years, our Company has executed many projects for the telecom companies and gas companies. We have a strong ROW team which liaison with the government and local authorities to get the projects executed with all the required permission and without any hindrances from the locals. We use modern machineries like HDD (Horizontal Diagonal drilling) and JCBs to get the projects executed in timely manner and with the high standards. We get the projects executed with the contractor's who are working with us for early execution. We have our own list of sub- contractor in various states that help us get the work executed in those respective areas.

Our focus is to leverage our strong project management and execution capabilities in order to complete our projects in a timely manner while maintaining high quality of work. The use of skilled labour and modern equipment enables us to control the cost of the project and minimizes occurrence of events resulting in stoppage of work due to accidents or breakdown of machinery at project sites.

Our Company is also focused on ensuring that each project is executed in conformity with the work description provided in the contracts and adheres to the quality and standard as desired. We enjoy accreditations such as the ISO 9001, 14001 & OHSAS 18001 certification.

#### *3. Efficient Business Model*

Our growth is largely attributable to our efficient business model which involves careful identification and assessment of the project with emphasis on cost optimization which is a result of executing our projects with careful planning and strategy. Our core business of leasing the fibre and duct on IRU basis to telecom operators is a unique business model which forms a major portion of our revenue. Further the business of leasing the fibre and duct on IRU basis has emerged beneficial for the Telecom operators as there are increasing difficulties and the increasing price of ROW faced by the Telecom operators.

Our business model relies more on our efficient liasoning, speed of execution, quality of work performed and maintenance of the laid network. We have our own ROW team across the states which help us as well as the telecom operators to get the required permissions in a simpler and faster way. Our project team by using modern equipments and efficient labour manpower completes the project with superior quality and within the required timeframe. It gives us the upper hand over the other partners engaged in the same activity. We also have our own maintenance team which maintain our own network as well as undertake the maintenance work outsourced to us for maintenance purpose by the telecom operators. Our Company follows a strategic approach during the project

execution stage, which involves undertaking technical surveys and feasibility studies, identification of the material requirement at an early stage of project and the cost involved in undertaking the project. We believe that our project execution approach at each level of execution enables us to complete the project with the desired standards and with the most competitive cost. Further, we focus to ensure high quality standards, as a result of which, we believe, we are able to deliver the project successfully with the required standards.

The Current business model has facilitated us in maximizing our efficiency and increasing our profit margins. Additionally, use of the skilled manpower and modern equipment ensures better control over execution and timely completion of projects. Our experienced engineering and management team are responsible for ensuring that we execute the project in a systematic and cost effective manner by monitoring operational costs, administrative costs and finance costs at every stage of the project cycle and applying checks and controls to avoid any cost and time overruns.

#### 4. *Long standing customer relationships with strong repeat business*

Our quality and on-time execution has helped us forge strong relationships with our major clients. We are providing services to the leading telecommunications company which includes PSUs Companies as well. We have a history of high client retention and derive a significant proportion of our revenues from repeat business built on our successful execution of prior engagements. In last three financial years, we have generated more than 95% of our revenue from operations from our top 10 customers, among which most were our existing clients. We have built long standing customer relationships which have helped us better understand our clients' business needs and enabled us to provide effective solutions to meet these needs.

#### 5. *Experienced Promoter, Management Team and Skilled Workforce*

We believe that we benefit from the vision, strategic guidance, experience, skills and relationships of several key members of our management team, including our Promoter and Managing Director, Dinesh Kollaiah Kargal, who has an overall experience of 27 years in the field of civil construction and telecom infrastructure business. His experience has been instrumental in our growth over the past. Our promoter and managing director has an experience of building and optic fibre network of around 35000 kms during his career. We also believe that our employees have been an important factor in our success as the quality of work is dependent on them. We believe in continuous development and have invested in our employees through steps to improve skills and service standards, enhance loyalty, reduce attrition rates and increase productivity. With the continuing involvement of the core members of our management team and key executives, we believe that we are well positioned to continue to tap growth opportunities across the business in the future.

#### 6. *Quality Certification*

Our company believes in maintaining and adheres to quality standards. Our execution process is closely monitored by the project supervisors. Upon completion of the entire project a pre-acceptance testing of the entire project is done by the Project Team for self-righteousness and then the same is delivered to the client. In case of IP-I execution, once the pre-acceptance testing is cleared, the project is then offered to Operations & Maintenance team for final acceptance and testing.

Further our company has been accredited with ISO 9001:2015 certificate, 14001:2015 certificate & OHSAS 18001:2007 certificate.

#### 7. *Co-ordial relationship with our suppliers and contractors*

In telecom sector, the mobile signal strength depends largely on the quality of the fibre cables used for transmission of signal from one place to another and the protection of such cable depends on the duct used to protect the fibre. In order to ensure customer satisfaction, quality of the work done and the timely delivery of the work are very important. In many of the projects, the customer provides the details of the suppliers from whom the material needs to be procured for the project. We also have a list of nominated suppliers and contractor with whom we have been working since long and we believe in the quality of the material provided and the work undertaken by them.

We maintain long term business relationship with our key suppliers and contractors with whom we have a mutual understanding. This long standing relationship with them has ensured us timely delivery of our materials, supply of quality materials, timely execution and work performance as per the desired guidelines. This has been beneficial for us as we are able to successfully execute our projects on time and develop strong relationships with our suppliers and customers.

## Our Business and Growth Strategies

### 1. *To enhance the coverage of the Optic fiber network*

Our Company has been mainly engaged in the work of laying fiber cable for own network as well for our customers. During the past decade our company has created its own fibre optic network of around 7500 Kms which run across the states of Rajasthan, Gujarat, Maharashtra, Goa, Karnataka, Andhra Pradesh and Telengana. Apart from the own network we have also undertaken Vendor Projects for around 9500 Kms. With the help of our experience in the telecommunication sector and the increase in the digital India initiative, we focus on the identification of those networks where the Telecom companies want to operate but avoid executing routes due to local resistance or financial or other feasibility. By identifying such areas, we can undertake the work of fibre laying in those places which will increase our network coverage. The network so developed can be provided to the telecom operators on lease or sale on IRU basis.

### 2. *Expand into business areas that create synergies with our current business*

While our primary focus is on development and execution of projects for the Telecom operators, as a part of our business growth strategy, we have also diversified in executing laying of Gas pipeline projects and our Company is currently undertaking laying of gas pipeline project in the state of Maharashtra undertaken through our sub contractors assigned to us by Mahanagar Gas Limited. The work of our gas pipelines have been entrusted to us based on our past record in the laying of cable for the Telecom companies. We seek to capitalize on such opportunities in new functional areas of infrastructure development by leveraging on our established project execution track record in our business. As part of our business growth strategy, we intend to diversify into, and shall consider bidding for similar projects. We are also planning to expand through our Subsidiary company into the business of ISP which could create synergies with our current business where we own the fibre network which can be used by our subsidiary.

In order to create synergies of operation we seek to expand in businesses that require execution skills that are similar to our current business and allow us to leverage our past experience and maximize the use of our manpower and equipment. We believe that with the increase in digitalization and building smart city projects, we can expand our business in telecom infrastructure sector and similar business. By such expansion we can take the benefit of leveraging our capabilities and gain economies of scale in operations and minimize our cost and maximize the profitability.

### 3. *Augment customer relationships*

Majority of our customers are telecom, ISP and cable operators, all the customer procure fibre or duct from us either on lease or sale on IRU basis. We also undertake the work of fibre laying for our clients as contractors. By the expertise of our liasoning and maintenance team we are able to sustain a strong and uninterrupted fibre network which is preferred by the customers. This is also possible due to the quality of the work executed by the project team. We intend to further develop our long-standing customer relationships by providing such high quality services with the same amount of dedication as we have done in the past. Through our robust systems and capable project management teams, we intend to closely monitor client satisfaction and be responsive to their evolving needs and requirements.

We believe that completing our customers' projects in a timely manner and delivering the work with the desired standards of quality which is the most effective manner in which we can develop and maintain strong relationships with our customers retain them and get repeated business from them. Thus, we intend to strive to exceed client expectations during every stage of the project life cycle. Over the years, the scale and complexity of our projects has gradually increased and we seek to continue to focus on projects with higher contract value. Going forth, we intend to actively access such leverage opportunities to bid for larger and more prestigious projects, with opportunities for potentially higher margins.

### 4. *Enhance our project execution capabilities*

We intend to continue to focus on enhancing our project execution capabilities. We believe that this continued focus will help us improve our operating capabilities which will help us in timely completion of the projects and within the estimated time and cost, this will again help us to improve our margins and simultaneously enhance our reputation amongst our existing as well as new customers. Further, we intend to leverage our existing equipments and employee strength by utilizing advanced tools and skilled manpower so as to increase

productivity and maximize asset utilization in our projects. We intend to continue to optimize our internal management systems to optimize operating margins and reduce overhead costs.

We believe that investment in technology and systems makes us more efficient and responsive while executing projects, while modern equipment ensures continuous and timely availability of equipment critical to our business, both of which help in make our operations cost effective in the long run. While we believe that we have developed a reputation for undertaking challenging and diverse projects in a timely manner, our ability to effectively manage and complete projects and meet client expectations will be crucial to our continued growth and success. We intend to grow our execution capabilities by strengthening our human capital and attracting professionals, and nurturing their growth within our organization.

#### 5. *Continue to focus on strengthening the goodwill of our name*

Over the past years, on account of our speed of execution, quality of work performed and maintenance of the laid network, we have created our goodwill among the Telecom Operators. We have our own ROW team across the states which help us as well as the telecom operators to get the required permissions in a simpler and faster way. Our project team by using modern equipments and efficient labour manpower completes the project with superior quality and within the required timeframe. We believe that these factors have helped us in building our name among our customers. We continue to be more committed to our project execution process which has enabled us to deliver the projects to the customer's with the desired quality and timely delivery. Further, with our dedicated team which looks after the cable and the duct for any cuts or damages which are repaired on regular basis we intend to provide the clients with an uninterrupted signal, proper flow of signal and no down-time. We also protect the cable and ensure that it is properly shifted to safer location where there are extensive expansions is going on.

### **Business operations**

Our business operations can be briefly classified under the below mentioned three heads:

**Project Execution for  
Telecom Operators**

**Laying of fiber under  
the IP-1 License and  
then leasing or selling**

**Operations &  
Maintenance (O&M) of  
Telecom Network**

#### **1. Project Execution for Telecom operators (Vendor Projects)**

Project Execution for Telecom operators involves solely working for the Telecom operators as contractors. The Telecom companies based on their requirement notify the area where they require the Fibre network. Once this area is notified the telecom operators assign the projects and their requirements to us. On receiving the Project, we initiate the work of procuring the ROW permissions for the operators. On receiving the permission, we start executing the projects. The fibre is laid in the allowable ROW limits from the centre of the road and available land width. The depth of the trench and the protection material is based on the specifications given by the respective telecom operator. The entire activity is done with the assistance of labour and/ or machinery. The activity is done simultaneously on multiple routes across the areas. Once the fibre laying is complete the same is first tested by the project team and then acceptance testing is done by the operators (Acceptance Testing Team) for whom the project is executed. After such testing the network, ROW documents are handed over to the Telecom operator.

#### **2. Laying fiber under IP-I License (IP-I)**

Under the Infrastructure Providers Category I (IP-I) License, our company can establish and maintain the assets such as Dark Fibres, Right of Way and Duct Space for the purpose to grant on lease/rent/sale on IRU basis to the licensees of Telecom Services providers and other vendors on mutually agreed terms and conditions. Under the IP-1 License we have developed our own network of around 7500 kms during the last 5 years. With our experience in telecom for the last decade, we understand telecom market and the requirement of the Telecom companies where they want the infrastructure to be built. We identify such strategic routes where the operators

don't have their presence and build our network there. This network is then leased to telecom operators either by duct lease or by fibre lease. In some cases, where the telecom operators are unable to build network by their own on particular routes due to constraints like: High ROW Challenges, overall project cost viability, Local issues etc. they ask us to execute the route. In such case we execute the route either on our own but the requisite permission for the route is on our name. Once the execution is completed the network is then leased to the telecom operator.

For the projects executed under the IP-1 License, the right to use the network is given to the vendors on irrefutable basis for a specific period of time as agreed between the company and the vendors and the ultimate ownership of the network is with our company.

### 3. Operations & Maintenance (O&M)

Our Company also undertake the operations & maintenance activity for the telecom operators and of the leased fiber maintained under IP-1 License. Operation & Maintenance activities involves deploying manpower and tools required for maintenance such as splicing machine, rodometre, OTDR machine etc. to monitor the route of the operator and preventing the underground optic fiber therein from getting damaged due to activities like road repairs, digging and expansion works by various authorities. For the fibre laid by us either as vendor project or on own account under IP-1 license we are preferred for the operation and maintenance of the same as our team is aware of the exact position of the fibre laid.

The key focus under the operation and maintenance activity is the early identification of the faults and undertake the repair activities in a timely manner in order to minimize the network downtime. We ensure that in case of any cuts we splice the fibre within the MTTR given by the respective telecom operators. Our strength is to maintain the MTTR and the SLA of the respective telecom operator.

#### Segment-wise reveunue details

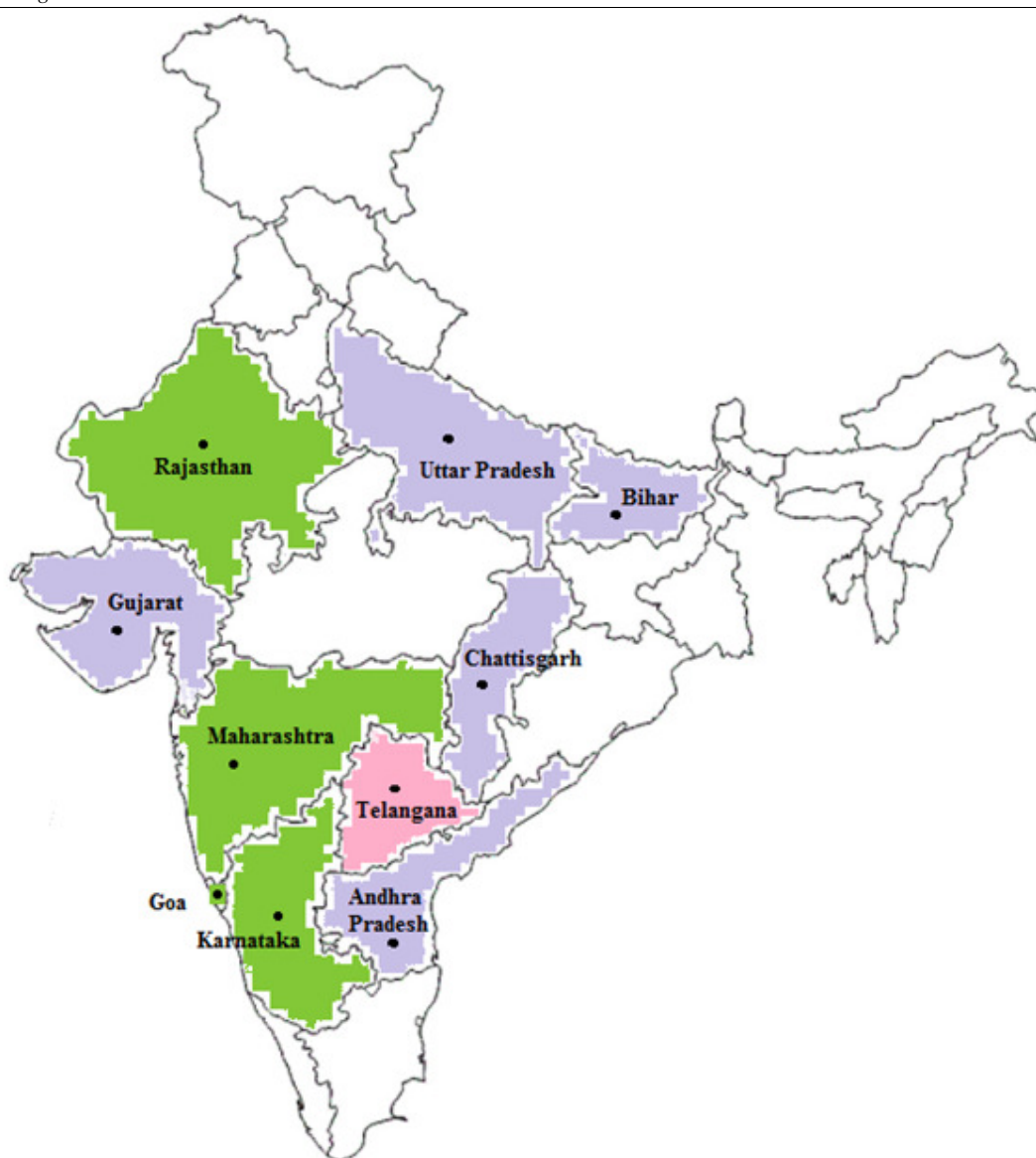
Below are the segment-wise reveunue details earned by our company in past three financial years:-

(Amount in Rs. million)

Particulars	For the Period ended on		
	March 31, 2018	March 31, 2017	March 31, 2016
<b>Revenue Breakup</b>			
<b>A. Telecom</b>			
Vendor Projects / Contract Receipts	2713.24	1482.20	1099.41
IP 1 Leasing Income	274.80	178.58	105.48
<b>B. Income From Mahanagar Gas Limited - Gas Pipeline</b>	33.69	31.54	17.64
<b>Total Revenue from Operations</b>	<b>3021.73</b>	<b>1692.32</b>	<b>1222.53</b>
<b>% of Revenue from Telecom</b>	<b>98.89%</b>	<b>98.13%</b>	<b>98.56%</b>
<b>% of Revenue from Mahanagar Gas Limited - Gas Pipeline</b>	<b>1.11%</b>	<b>1.87%</b>	<b>1.44%</b>

#### Our Presence

As of July 31, 2018, we have laid fiber of around 17000 Kms for our telecom vendors which includes fibre laid under Vendor Projects and own network running across 10 states in India. The state-wise presence of our network in India is illustrated below:



Below are the details of the state-wise revenue earned by our company in the past three financial years:-

(Amount in Rs. million)

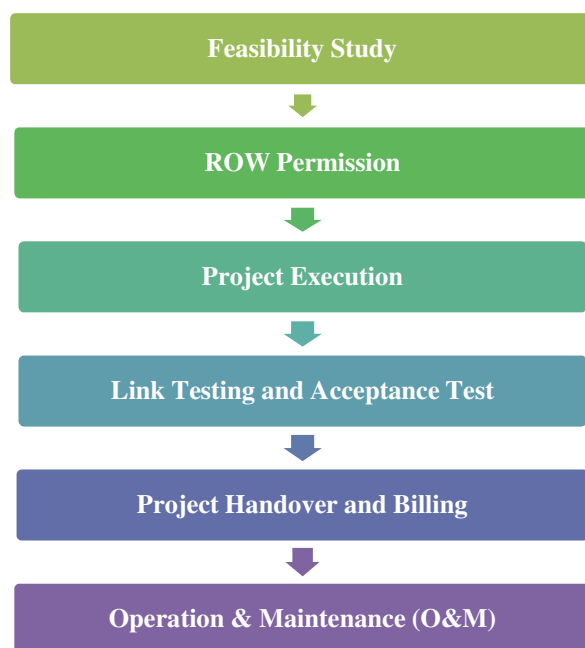
State	Total Turnover for the period ended on		
	March 31, 2018	March 31, 2017	March 31, 2016
Bihar	0.23	3.71	3.29
Goa	179.05	216.08	160.48
Gujarat	90.51	4.37	8.51
Uttar Pradesh	0.00	7.47	2.70
Karnataka	171.25	87.36	36.29
Maharashtra	1545.82	1387.68	956.78
Rajasthan	849.44	328.27	211.84
Telangana	59.66	12.14	0.00
Andhra Pradesh	32.66	0.00	0.00
Chhattisgarh	376.39	0.00	0.00
Less –Net IP income deferred	283.28	354.76	157.36
<b>Net Revenue</b>	<b>3021.73</b>	<b>1692.32</b>	<b>1222.53</b>



## Our Order Book

Our order book, as of any particular date, consists of the unexecuted portions of our outstanding orders, that is, the total contract value of the existing contracts secured by us, as reduced by the value of work executed and billed until the date of such order book (“Order Book”). Our total Order Book was approximately ₹ 4200.00 million, as at April 01, 2018.

## Project Execution Process



### 1. Feasibility Study

Identification of the route to be executed by our company is done in two ways:

- Client issues a Purchase Order / Work Order to execute a given route.
- We ourselves identify a route based on its criticality to execute on IP-1.

On receipt / identification of any such route, we first conduct a feasibility study of the entire route.

Feasibility study involves the below processes along the route to:

- Study and identify the strata of the route, i.e. whether the land surface of the route is soft, semi-soft, hard, hard rock, sheet rock or black rock etc. This gives the project team adequate inputs to plan their manpower and machinery accordingly.
- Create a list of the various ROW (Right of Way) authorizations that would be required to execute the route.
- Study the do-ability of the route and identify the challenges, if any, on the route like local hindrances, sleeve adequacy of the road to execute the route, underground utilities laid, if any, etc.

The Feasibility study report is prepared for the complete route and submits it to the Project Team which will undertake the laying work.

### 2. ROW Permission

Once the feasibility report is received, the team prepares the ROW applications and submits them to the respective authorities requesting permission from them for the said execution.

On approval of the application, the ROW authority gives a demand note which may include an amount to be paid to them as Security Deposit for the period of execution or reinstatement charges to be paid for digging the road or the sleeve of the road to be kept with the authorities during the period of execution. On receipt of the Demand Note payment, the authorities grant the permission to execute the work.



### 3. Project Execution

The Execution Team prepares a detailed BOQ of the entire route and submits it to SCM for procurement of material.

In case of client's route, detailed BOQ is prepared and material request is sent to the respective telecom operator for them to procure and send the material. The Execution Team also plans the resources to be deployed along the route keeping in mind the feasibility study. In some cases, partial work or complete work may be sub-contracted to vendors having resources for faster execution.

The project execution involves various activities like:

- Trenching –Digging and excavating the soil till a depth as per the specification or the feasibility study report.
- Ducting– Laying each roll of 500 mtrs 40 mm HDPE duct in the excavated trench.
- Coupling –Joining and fixing two rolls of laid duct with a coupler.
- Duct integrity Test (DIT) – Blowing pressurized air into one end of the duct with the other end closed to confirm that the joints of the duct stay intact and do not split open under pressure.
- Back filling – Post DIT being passed, the excavated trench is back filled with the soil excavated from it.
- Chamber installation – Installation of pre-casted chamber at relevant locations.
- Fiber blowing / Fiber pulling – Fiber is then blown by a compressor or pulled by a duct rodder through the laid duct. The two rolls of fiber are joined to each other by a joint closure.
- Splicing–Joining of two fibers and placing them inside a joint enclosure.
- Route marker installation – Route markers mentioning the name of the company whose fiber is laid are installed at relevant locations.



### 4. Link Testing and Acceptance Test:

Every part of the execution is closely monitored by project supervisors. Upon completion of each section, material consumption is booked by the Project Supervisor. In case of a client's route, a detailed measurement sheet is prepared mentioning the chain-age of execution done. Upon completion of the entire project a pre-acceptance testing of the entire project is done by the Project Team. In case of route executed for a client, the client's quality team inspects the entire route and does the acceptance testing (AT).

### 5. Project Handover & Billing

In case of projects executed for a client, post the AT, a material reconciliation of the route is done by the client. After the completion of the above the project is handed over to the client and the bills are raised.

In case of projects executed under IP-1 license, the requirement of the client is understood. The point from where the client needs the fiber is checked. A joint acceptance testing is done along with the client from the start point to the end point of the fiber or the duct to be taken on lease or purchase. After that a Hand over Take over

(HOTO) document is signed between the client and DEPL, which is followed by a formal agreement being signed between them for IRU Lease or Sale.

## **6. Operation & Maintenance (O&M)**

Operation and maintenance team is deployed on the route. The team on regular basis monitors these routes for any cuts or damages caused to the fibre or the ducts, on getting such information the same is repaired promptly in order to reduce any downtimes faced by clients. Also, in case of any fiber cuts or packet losses in the network are observed by the client, the client raises a ticket which is looked into by O&M coordinator. The ticket is then allocated to the area operations manager where the cut or the loss is occurred. The area manager immediately informs the NMT team, who locates and rectifies the fault. The same is then rectified and confirmed with the client. The team is also equipped with the Network Monitoring Vehicles (NMT) which are deployed on field to rectify the fault or splice the fiber in case of any cut in the fiber. The NMT vehicle is well-equipped to locate and rectify the faults swiftly.

## **Collaborations/Tie Ups/ Joint Ventures**

Except as disclosed in this Red Herring Prospectus and in the normal course of business, we do not have any Collaboration/Tie Ups/ Joint Ventures as on date.

## **Export Obligation:**

Our Company does not have any export obligation as on date of this Red Herring Prospectus.

## **Plant & Machinery**

We have established our machinery and equipments with keeping in mind Efficiency, Safety and Environment factors. We have made all endeavors in procuring top of the line equipment and machineries that can effectively cater to specific customer needs. Some of the key machineries and equipments procured by us are HDD Machine, Splicing Machine, Bit 6 X 13.38 Hard Face, Cable route locator, Digitrack depth measuring device, Digitrack mark tracking system, duct rodder, Electrofusion unit, fibre cleaver, optical fiber fusion splicer, optical fiber high precision cleaver, optical fiber identifier, optical fibre cable blowing machine, optical power source & melter and OTDR machine etc.

## **Material**

The main raw material required by us during the project execution is the Fibre cable and the duct used to cover the fibre cable which protects it from being damaged. The requirement of the materials is based on the Feasibility study conducted before the execution of the projects. The specification of the duct and fibre cable is based on the requirements of the customer. The main raw material used for the execution of the work under IP-1 License is procured by our company from the nominated vendors based on various factor such as quality, durability and cost factors. However, for the client's route, material request is prepared and sent to the respective telecom operator. In such case, the material is either procured by the Telecom vendor and provided to us or the same is procured by us from the vendors nominated by the respective Telecom operators. On receipt of the material, the material is inspected and tested to meet the acceptance criteria.

## **Health and Safety**

We continue to ensure compliance with applicable health and safety regulations and other requirements in our operations. Our company has been awarded with ISO 9001:2015 certificate, 14001:2015 certificate & OHSAS 18001:2007 certificate for complying with the quality and operational standards.

We have also adopted best practices, including deployment of advanced technology at our sites, and regularly monitoring and undertaking close supervision of the project sites to promote and ensure a safe working environment. Our project execution activities are also subject to the Right of way permission from the governmental, state and municipal laws. Thus, we are also subject to follow the regulation requirements as specified by these authorities. We have complied and will continue to comply, with all applicable environmental and associated laws, rules and regulations.

## **Utilities**

We have a very limited requirement for power and water. For our registered and corporate office, our electricity requirements are met from the Maharashtra State Electricity Distribution Co. Ltd. The water required for our

execution process is relatively low. Water is procured from external water supply agencies operating in the local area where our existing facilities are situated.

### **Sub-Contracting**

Majority of our fibre execution work is done by sub-contracting. Over the years we have established and created a dedicated and expert sub-contractors who are directly associated with us for the last one and a half decade. As the digging and trenching activity involve a lot of labour force and machinery at the same time at different scattered locations, as we execute the projects parallelly at the same time at different project sites across many states hence we take these labourers and machinery from sub-contractor who are our local representatives for that area. We also have some exclusive contacts with some contractors who work wholly for us. We also maintain continuous check on the project work which we have sub-contacted through our Project Incharge and managers in order to ensure that the project is implemented with the desired quality and within the appropriate timeframe. We have implemented a standard operating procedure for our subcontracted resource, including identification of the subcontracting requirement of every projects; understanding the scope, terms and commercial limits for engagement of sub-contractors, prospecting potential subcontractors, evaluation of credentials and resource deployment potential of subcontractors, negotiation and finalisation of the terms of engagement of subcontractors, securing approval of clients for specialised works, and ensuring deployment of appropriately skilled workmen.

### **Competition**

We operate in a competitive atmosphere specific to vendor projects executed for Telecom operators. We face competition from other optical fibre laying companies operating in the same geographies as ours. Our competition depends on various factors, such as the total contract value, potential margins, the complexity, location of the project and risks relating to revenue generation. But we have an advantage over our competitors, as we have our own team of sub-contractors in various location across different states and the telecom operator get a single point of contact for co-ordination and understanding work progress details for different projects undertaken at different locations. While service quality, technical ability, performance record, experience, health and safety records and the availability of skilled personnel's are key factors in client decisions among competitors, however, price often becomes the main deciding factor while awarding of the projects. For further information with respect to the Industry in which we operate please see the section entitled "*Industry Overview*" beginning on page 101 of this Red Herring Prospectus.

### **Sales and Marketing**

Our Company has a strong customer profile and some of our major customers are Telecom operators like Bharti Airtel Ltd, Vodafone, Idea Cellular, Reliance Jio Infocomm, Bharat Sanchar Nigam Ltd, Tata Teleservices (Maharashtra) Ltd and Gas companies like Mahanagar Gas Limited.

The work allocated by the companies is based on the quality of work done and timeliness. Over the past decade, we have undertaken the projects for the telecom operators and focused on providing the desired quality work within the required timeframe. As a result of this we continue to build our image amongst our customers.

Our management with the help of their experience and understanding in telecom market ascertain the requirements of the Telecom companies where they want the infrastructure to be built. We identify such strategic routes where the operators don't have their presence.

### **Quality assurance and quality control**

We believe that process quality assurance and quality control are essential for client satisfaction and for sustainable and profitable growth of our Company. We have received an ISO 9001, 14001 & OHSAS 18001 certification for our project execution system. The execution of the projects is done with strict adherence to the requirements of the customer and we establish and monitor the implementation of project quality and work method statements at the project sites. To ensure project quality, we focus on product requirements; the processes to be followed for quality assurance and the records to be created, the inspection & testing plan for meeting the acceptance criteria.

### **Corporate Social Responsibility**

We have adopted a Corporate Social Responsibility ("**CSR**") policy in compliance with the requirements of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014 notified by the Central Government. We have also re-constituted the Corporate Social Responsibility Committee for the purpose of the said compliance.

## Information Technology

We are focusing on improving our internal systems, processes and upgrade our IT systems to reduce manual intervention and improve reliability and efficiency of our business and operations. We also intend to utilize advanced technologies, designs, engineering and project management tools to increase productivity and maximize asset utilization in construction activities.

## Human Resource:-

As of July 31, 2018, we had 239 employees, including 19 employees in senior level which are directly responsible to the management of our Company and 181 employees in executive and technical staff and 39 employees in non technical staff. Substantially all of our employees are located in India. The project execution process requires an appropriate mix of skilled and unskilled labour. In addition to above, our Company has also employed total 166 employees on third party payroll as on July 31, 2018.


None of our employees are represented by a union or covered by a collective bargaining agreement. We have never experienced any work stoppages and believe our employee relations are good. We consider our relations with our employees to be satisfactory. We have not experienced any labor disruptions in the past.

## Insurance

Our operations involves digging and excavating the soil, Fiber blowing or Fiber pulling work etc. which are hazardous inherent and involve risk of equipment failure, work accidents, fire, earthquake, flood and other force majeure events, acts of terrorism and explosions. These hazards may cause injury and loss of life, severe damage to and the destruction of personnels, equipment and environmental damage.

Our principal types of coverage include Standard fire & special perils policy, Workmen compensation policy, Employees Compensation Insurance policy, contractor all risk policy and vehicle Insurance. Our insurance policies may not be sufficient to cover our economic loss. For further details of risk associated with the insurance policy please see chapter titled “*Risk Factors*” on page 25 of this Red Herring Prospectus.

## Intellectual Property

Our trademark  is duly registered under the class 37 with the Registrar of Trademarks in India. For further details, see “Government and Other Approvals” and “*Risk Factors*” beginning on pages 402 and 18, respectively of this Red Herring Prospectus.

## Property

Our Registered and corporate Office, situated at DEPL House Neighbourhood shopping complex Sector-4, Nerul Navi Mumbai, Maharashtra - 400706 India, which is owned by our Promoter Mr. Dinesh Kollaiah Kargal have been taken on lease from our Promoter vide a leave and license agreement dated April 01, 2015 for a period of sixty months. Additionally, our Company owns other property, including, on a freehold basis, namely property situated at Navi Mumbai and Pune, Maharashtra.

Apart from the above, our Company has also entered into agreement for the use of the premises taken on lease situated at Maharashtra, Goa, Chattisgarh, Telangana, Madhya Pradesh, Andhra Pradesh and Rajasthan.

## 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 the chapter titled “Government and other Approvals”.*

### **CENTRAL LAWS**

#### **Department of Telecommunications (DoT)**

The Ministry of Communication and Information Technology has prescribed certain rules for the companies engaged in the business of providing assets such as Dark Fiber, Right of Way, Duct Space and Tower. The infrastructure service providers in the tele-communications arena are required to be an Indian company registered under the Companies Act, 2013 or Companies Act, 1956 and which is also registered with the DoT as an IP-I Provider and obtain a certificate in this regard from the DoT (“**IP-I Registration Certificate**”) in terms of the Guidelines for Registration of Infrastructure Providers Category- I by the DoT (“**IP-I Guidelines**”). An IP-I Provider can provide infrastructure such as dark fibers, right of way, duct space and towers on lease / rent out / sale basis to the licensees of telecommunication services in compliance with the terms and conditions set out in the IP – I Registration Certificate and IP-I Guidelines. The IP-I Registration Certificate may be cancelled by DoT upon breach of its terms by the IP-I Provider. As the Company is an infrastructure service provider, it has obtained registration with the DoT as IP-I category and it complies with the guidelines framed by DoT in this regard. On March 9, 2009, DoT issued an order regarding scope of IP-I providers. Under this order, DoT clarified that the scope of IP-I providers has been enhanced to cover the active infrastructure if this active infrastructure is provided on behalf of the licensees, i.e. they can create active infrastructure limited to antenna, feeder cable, Node B, Radio Access Network (RAN) and transmission system only for / on behalf of Unified Access Service Licensee/Commercial Mobile Service Provider. Thereafter, on November 28, 2011, the DoT issued a clarification regarding the scope of IP-I providers inter-alia stating that certain IP-I providers who have invested in creation of active infrastructure which requires obtaining of license under the Indian Telegraph Act, 1885 should either obtain a Unified License or a Virtual Network Operator license or a UL(VNO)CatB license for specific geographical area or in the alternative, within a period of six months, such IP-I providers shall transfer all active network elements to a holder of a valid license.

#### **National Telecom Policy, 2012**

The National Telecom Policy, 2012 (the “**NTP 2012**”) was approved by the Government on May 31, 2012. The policy envisions providing secure, reliable, affordable and high quality converged telecommunication services anytime, anywhere. The NTP 2012 lists various strategies in relation to telecommunication infrastructure which include, inter alia: (i) to review and simplify sectoral policy for right of way for laying cable network and installation of towers for facilitating smooth coordination between the service providers and the State Governments/local bodies; (ii) to undertake periodic review of electromagnetic field (“**EMF**”) radiation standards for mobile towers and mobile devices with reference to international safety standards; (iii) to encourage use of innovative methods like camouflaging, landscaping, monopole towers and stealth structures to conform to aesthetic requirements; (iv) to mandate standards in the areas of functional requirements, safety and security and in all possible building blocks of the communication network, including physical infrastructure like towers and buildings. Additionally, NTP 2012 aims to move towards Unified License regime in order to enable operators to efficiently utilise their networks and spectrum by sharing active and passive infrastructure. Further, with respect to Infrastructure Policy, the NTP 2012 aims to i) to facilitate a stable tax regime by stimulating investments and making services more affordable, ii) to meet current and future demands for microwave access and backhaul subject to the condition that IP-I infrastructure providers are brought under the proposed unified licensing regime, and iii) to simplify sectoral policies for Right of Way for installation of towers and laying of cable networks by facilitating smooth coordination between the service providers and the State Governments/ local bodies.

#### **Implementation of Green Technology in Telecom Sector**

On January 23, 2012, DoT issued an order stating, inter alia, that: (i) at least 50% of all rural towers and 20% of the urban towers are to be powered by hybrid power by 2015, while 75% of rural towers and 33% of urban towers are to



be powered by hybrid power by 2020; (ii) all telecom products, equipments and services in the telecom network should be energy and performance assessed and certified “Green Passport” utilizing the ECR’s rating by the Telecommunication Engineering Centre by the year 2015.

#### **Recommendations by TRAI:**

- a. Recommendations on Guidelines for Unified Licence/Class Licence and Migration of Existing Licenses On May 12, 2012, TRAI released its Recommendations on Guidelines for Unified License/Class License and Migration of Existing Licenses (“Unified License Recommendations”). The Unified License Recommendations provide for the migration of the existing licences to a unified licensing regime. Under this unified licensing regime, there will be three levels of licenses namely, national level, service area level and district level. TRAI has also recommended that IP-I Providers should also be brought under the unified licensing regime and that it should be mandated that the limit of foreign direct investment in such infrastructure providers should be brought down to 74% within a period of three years of a unified licensing regime coming into force. On February 15, 2012, DoT issued a press release clarifying, inter alia, that a decision on the recommendations to bring IP-I service providers under licensing regime, who are currently unlicensed passive infrastructure providers, has been deferred for further examination.
- b. Recommendations on Telecommunications Infrastructure Policy On April 12, 2011, TRAI released its Recommendations on Infrastructure Policy (“Infrastructure Policy Recommendations”), stated the importance of the telecommunication infrastructure in the development of the country. TRAI has recommended, inter alia, that: (i) IP-I Providers be brought under the unified licensing regime so that the power conferred upon licensed service providers (under the provisions of section 19B of the Indian Telegraph Act, 1885, as amended) in respect of the right of way could be made applicable in case of IP-I Providers as well; (ii) telecommunication infrastructure provider companies be extended tax benefits under section 80IA of the Income Tax Act; and (iii) IP-I infrastructure providers be permitted to possess and maintain wireless telegraphy equipment and may be assigned spectrum for providing backhaul through microwave system subject to the condition that they are brought under the proposed unified licensing regime.

#### **Guidelines for Grant of Unified License**

On January 8, 2014, the DoT issued guidelines for grant of unified license after considering the recommendations of TRAI for grant of unified license for the following services a. Unified License (All Services), b. Access Service (Service Area-wise), c. Internet Service (Category-A with All India jurisdiction), d. Internet Service (Category-B with jurisdiction in a Service Area), e. Internet Service (Category-C with jurisdiction in a Secondary Switching Area), f. National Long Distance (NLD) Service, g. International Long Distance (ILD) Service, h. Global Mobile Personal Communication by Satellite (GMPCS) Service, i. Public Mobile Radio Trunking Service (PMRTS) Service, j. Very Small Aperture Terminal (VSAT) Closed User Group (CUG) Service, k. INSAT MSS-Reporting (MSS-R) Service, l. Resale of International Private Leased Circuit (IPLC) Service.

#### **The Indian Telegraph Act, 1885 and the Indian Telegraph Rules, 1951**

Under the Indian Telegraph Act of 1885 (“**the Telegraph Act**”), telegraph means any appliance, instrument, material or apparatus used or capable of use for transmissions or reception of signs, signals, writing, images and sounds or intelligence of any nature by wire, visual or other electromagnetic emissions, Radio waves or Hertzian waves, galvanic, electric or magnetic means. A license is required to be obtained by the Central government to establish, maintain or work a telegraph within any part of India. A license will be issued by the Central Government on such conditions and in consideration of such payments as it thinks fit.

The Telegraph Act also provides for setting up of the Universal Service Obligation Fund (“**USO Fund**”) for the purpose of providing basic infrastructure such as electricity, roads, water or telecommunication. The application of USO Fund should inter alia be made for (i) operation and maintenance of the Village Public Telephone; (ii) provisions of additional rural community phones with population in excess of 2000 and with no existing public call office; (iii) Replacement of Multi Access Radio Relay Technology Village Public Telephone installed before April 1, 2002.-provision of telecommunications facilities in habitations having populations of less than 500; and (iii) the Capital Expenses or Operating Expenses incurred in the creation of National Optical Fibre Cable Network for extending the broad band connectivity to all villages and Gram Panchayats.

#### **Shops and Establishments Act**

The Company is governed by various shops and establishments legislations, as applicable in the States where its offices are located. The Company has its registered office at DEPL House, Neighbourhood Shopping Complex,

Sector-4, Nerul, Navi Mumbai – 400706. These regulations regulate the conditions of work and employment in shops and commercial establishments and generally prescribe obligations in respect of inter alia registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures, and wages for overtime work.

The following are the acts and rules and regulations thereunder, as are applicable to the Company:

- i. Maharashtra Shops and Establishments Act, 1948
- ii. Rajasthan Shops and Establishments Act, 1958
- iii. Andhra Pradesh Shops and Establishments Act, 1966
- iv. The Goa, Daman and Diu Shops and Establishments Act, 1973
- v. Telangana Shops and Establishments Act, 1988
- vi. Andhra Pradesh Shops And Establishments Act, 1988

## **TAXATION LAWS**

### **The Income-tax Act, 1961**

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

### **Central Goods and Services Tax Act, 2017**

The Central Goods and Services Tax Act, 2017 (“CGST Act”) regulates the levy and collection of tax on the intra-State supply of goods and services by the Central Government or State Governments. The CGST Act amalgamates a large number of Central and State taxes into a single tax. The CGST Act mandates every supplier providing the goods or services to be registered within the State or Union Territory it falls under, within 30 days from the day on which he becomes liable for such registration. Such registrations can be amended, as well as cancelled by the proper office on receipt of application by the registered person or his legal heirs. There would be four tax rates namely 5%, 12%, 18% and 28%. The rates of GST applied are subject to variations based on the goods or services.

### **The Customs Act, 1962**

The provisions of the Customs Act, 1962 and rules made thereunder are applicable at the time of import of goods i.e. bringing into India from a place outside India or at the time of export of goods i.e. taken out of India to a place outside India. Any Company requiring to import or export any goods is first required to get itself registered and obtain an Importer Exporter Code.

### **Professional Tax**

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

The following State Professions, Trades, Callings and Employments Act are applicable to the Company:

- i. Maharashtra State Profession, Trades, Callings and Employments Act, 1975; and
- ii. Karnataka State Professions, Trades, Callings and Employments Act, 1976



- iii. Andhra Pradesh Tax on Professions, Trades, Callings and Employments Act 1987
- iv. Rajasthan Tax on Professions, Trades, Callings and Employments Act, 2000

### **Central Excise Act, 1944**

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

## **INTELLECTUAL PROPERTY**

### **The Trademarks Act, 1999**

Under the Trademarks Act, 1999, ("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 colours or any combination thereof. Section 18 of the Trademarks Act requires that any person claiming to be the proprietor of a trade mark used or proposed to be used by him, must apply for registration in writing to the registrar of trademarks. The trademark, once applied for and which is accepted by the Registrar of Trademarks ("the Registrar"), is to be advertised in the trademarks journal by the Registrar. Oppositions, if any, are invited and, after satisfactory adjudications of the same, a certificate of registration is issued by the Registrar. The right to use the mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is 10 years, which may be renewed for similar periods on payment of a prescribed renewal fee.

## **LABOUR LAWS**

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

The Employees State Insurance Act, 1948 ("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**

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

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

The Payment of Gratuity Act, 1972 applies to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a State, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months. It provides for payment of gratuity to the employees who have put in a continuous service of five years, in the event of their superannuation, retirement, resignation, death or disablement due to accident or disease: Provided that the completion of continuous service of five years

shall not be necessary where the termination of the employment of any employee is due to death or disablement. Gratuity is calculated at the rate of 15 days' wages for every completed year of service with the employer. Presently, an employer is obliged for a maximum gratuity pay out of ₹10, 00,000 for an employee.

### **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 provides, inter alia, for payment of maternity benefits, medical bonus and prohibits the dismissal of and reduction of wages paid to pregnant women, etc.

### **Contract Labour (Regulation and Abolition) Act, 1970 (the "CLRA")**

CLRA is an act to regulate the employment of contract labour in certain establishments and to provide for its abolition in certain circumstances. The CLRA applies to every establishment in which 20 (twenty) or more workmen are employed or were employed on any day of the preceding 12 (twelve) months as contract labour. It also applies to every contractor who employs or who employed on any day of the preceding 12 (twelve) months, 20 (twenty) or more workmen provided that the appropriate Government may after giving not less than 2 (two) months' notice, by notification in the Official Gazette, apply the provisions of the CLRA to any establishment or contractor. Further, it contains provisions regarding Central and State Advisory Board under the CLRA, registration of establishments, and prohibition of employment of contract labour in any process, operation or other work in any establishment by the notification from the State Board, licensing of contractors and welfare and health of the contract labour. Contract Labour (Regulation and Abolition) Central Rules, 1971 are formulated to carry out the purpose of the CLRA.

### **The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act and The Building and Other Construction Workers' (Regulation of Employment and Conditions of Service) Central Rules, 1998**

The Building and other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996, as amended from time to time ("Building and Construction Act") and The Building and Other Construction Workers' (Regulation of Employment and Conditions of Service) Central Rules, 1998 ("Building and Construction Rules") is applicable to every establishment which employs, or had employed on any day of the preceding twelve months, ten or more building workers in any building or other construction work. The Building and Construction Act provides that every employer shall within a period of 60 days from the date on which the Building and Construction Act becomes applicable to the establishment, make an application to the registering officer for registering such an establishment and the registering officer shall on receipt of an application, register such an establishment and issue a registration certificate. The Building and Construction Act prescribes for fixed working hours and wages for overtime work and various safety and health measures to be maintained in an establishment.

Further, the Building and Other Construction Workers' Welfare Cess Act, 1996 was enacted to provide for the levy and collection of a cess on the cost of construction incurred by employers with a view to augmenting the resources of the Building and Other Construction Workers' Welfare Boards constituted under the Building and Construction Act.

### **The Minimum Wages Act, 1948**

The Minimum Wages Act, 1948 ("MWA") came into force with the objective to provide for the fixing of a minimum wage payable by the employer to the employee. Under the MWA, every employer is mandated to pay not less than the minimum wages to all employees engaged to do any work whether skilled, unskilled, manual or clerical (including out-workers) in any employment listed in the schedule to the MWA, in respect of which minimum rates of wages have been fixed or revised under the MWA.

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

Pursuant to the Payment of Bonus Act, 1965, as amended, an employee in a factory or in any establishment where 10 or more, but less than 20 persons are employed on any day during an accounting year, who has worked for at least 30 working days in a year, is eligible to be paid a bonus. Contravention of the provisions of the Payment of Bonus Act, 1965 by a company is punishable with imprisonment up to six months or a fine up to ₹ 1,000 or both.

### **The Industrial Disputes Act, 1947 and Industrial Dispute (Central) Rules, 1957**

The Industrial Disputes Act, 1947 (“ID Act”) was enacted to make provision for investigation and settlement of industrial disputes and for other purposes specified therein. Workmen under the ID Act have been provided with several benefits and are protected under various labour legislations, whilst those persons who have been classified as managerial employees and earning salary beyond a prescribed amount may not generally be afforded statutory benefits or protection, except in certain cases. Employees may also be subject to the terms of their employment contracts with their employer, which contracts are regulated by the provisions of the Indian Contract Act, 1872. The ID Act also sets out certain requirements in relation to the termination of the services of the workman’s services. This includes detailed procedure prescribed for resolution of disputes with labour, removal and certain financial obligations up on retrenchment. The Industrial Dispute (Central) Rules, 1957 specify procedural guidelines for lock-outs, closures, lay-offs and retrenchment.

### **The Equal Remuneration Act, 1976**

Equal Remuneration Act, 1976 provides for payment of equal remuneration to men and women workers and for prevention discrimination, on the ground of sex, against female employees in the matters of employment and for matters connected therewith.

### **The Employees’ Compensation Act, 1923**

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

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

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

### **Other Regulations**

#### **The Indian Stamp Act, 1899**

Stamp duty in relation to certain specified categories of instruments as specified under Entry 91 of the list, is governed by the provisions of the Indian Stamp Act, 1899 (“the Stamp Act”) which is enacted by the Central Government. All others instruments are required to be stamped, as per the rates prescribed by the respective State Governments. Stamp duty is required to be paid on all the documents that are registered and as stated above the percentage of stamp duty payable varies from one state to another. Certain states in India have enacted their own legislation in relation to stamp duty while the other states have adopted and amended the Stamp Act, as per the rates applicable in the state. On such instruments stamp duty is payable at the rates specified in Schedule I of the Stamp Act. Instruments chargeable to duty under the Stamp Act which are not duly stamped are incapable of being admitted in court as evidence of the transaction contained therein. The Stamp Act also provides for impounding of instruments which are not sufficiently stamped or not stamped at all. Unstamped and deficiently stamped instruments can be impounded by the authority and validated by payment of penalty. The amount of penalty payable on such instruments may vary from state to state.

#### **The Registration Act, 1908**

The Registration Act, 1908 was passed to consolidate the enactments relating to the registration of documents. The main purpose for which the Registration Act, 1908 was designed was to ensure information about all deals concerning land so that correct land records could be maintained. The Registration Act, 1908 is used for proper

recording of transactions relating to other immovable property also. The Registration Act, 1908 provides for registration of other documents also, which can give these documents more authenticity. Registering authorities have been provided in all the districts for this purpose.

### **The Transfer of Property Act, 1882**

The transfer of property, including immovable property, between living persons, as opposed to the transfer of property by operation of law, is governed by the Transfer of Property Act, 1882 (“TOPA”). The TOPA establishes 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 TOPA recognizes, among others, the following forms in which an interest in an immovable property may be transferred:

- Sale: the transfer of ownership in property for a price paid or promised to be paid.
- Mortgage: the transfer of an interest in property for the purpose of securing the payment of a loan, existing or future debt, or performance of an engagement which gives rise to a pecuniary liability. The Act recognizes several forms of mortgages over a property.
- Charges: transactions including the creation of security over property for payment of money to another which are not classifiable as a mortgage. Charges can be created either by operation of law, e.g. decree of the court attaching to specified immovable property, or by an act of the parties.
- Leases: the transfer of a right to enjoy property for consideration paid or rendered periodically or on specified occasions.

### **The Indian Contract Act, 1872**

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

### **The Specific Relief Act, 1963**

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

### **The Companies Act, 2013**

The Companies Act, 2013, has been introduced to replace the existing Companies Act, 1956 in a phased manner. The Ministry of Corporate Affairs has vide its notification dated September 12, 2013 has notified 98 Sections of the Companies Act, 2013 and the same are applicable from the date of the aforesaid notification. A further 183 Sections have been notified on March 26, 2014 and have become applicable from April 1, 2014. The Companies (Amendment) Act, 2015 has *inter-alia* amended various Sections of the Companies Act, 2013 to take effect from May 29, 2015. Further, vide the Companies (Amendment) Act, 2015, Section 11 of the Companies Act, 2013 has been omitted and Section 76A has been inserted in the Companies Act, 2013. The Ministry of Corporate Affairs, has also issued rules complementary to the Companies Act, 2013 establishing the procedure to be followed by companies in order to comply with the substantive provisions of the Companies Act, 2013.

### **Competition Act, 2002**

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

The Competition Act also provides that the Competition Commission has the jurisdiction to inquire into and pass orders in relation to an anti-competitive agreement, abuse of dominant position or a combination, which even though

entered into, arising or taking place outside India or signed between one or more non-Indian parties, but causes an appreciable adverse effect in the relevant market in India.

#### **Permission from Municipal Authorities/ Zilla Parishad/Gram Panchayat/any other local authority**

The local laws of many states in India require that in order to lay duct and optic fibre cables, construction of basic transmission and telecom utilities, dark fiber leasing, optical fiber network construction and other infrastructure, 'no objection certificates', change of user of land from local authority as applicable, such as, municipal authorities, Zilla Parishad or Gram Panchayat in whose jurisdiction the towers are being constructed are to be obtained

#### **Regulations regarding Foreign Investment**

Foreign investment in companies industry is governed by the provisions of the FEMA read with the applicable regulations. The Department of Industrial Policy and Promotion ("DIPP"), Ministry of Commerce and Industry has issued 'Consolidated FDI Policy' ("FDI Policy") which consolidates the policy framework on Foreign Direct Investment ("FDI"), with effect from August 28, 2017. The FDI Policy consolidates and subsumes all the press notes, press releases, and clarifications on FDI issued by DIPP till August 27, 2017. All the press notes, press releases, clarifications on FDI issued by DIPP till August 27, 2017 stand rescinded as on August 28, 2017. Vide an Office Memorandum dated June 5, 2017 ("Office Memorandum"), issued by Ministry of Finance, Department of Economic Affairs the Government of India has abolished Foreign Investment Promotion Board ("FIPB").

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. Subsequent to the abolition of FIPB, the work of granting government approval for foreign investment under the FDI Policy and FEMA Regulations has now been entrusted to the concerned Administrative Ministries/Departments. 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 Government, the RBI would continue to be the primary agency for the purposes of monitoring and regulating Foreign Investment. In cases where Government 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, 2017 to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India.

The Consolidated FDI Policy issued by the DIPP, permits foreign investment in the telecom services including Telecom Infrastructure, Providers Category-I, viz. Basic, Cellular, Unified Access, Services, Unified License (Access Services), Unified, License, National/International Long Distance, Commercial, V-Sat, Public Mobile Radio Trunked Services (PMRTS), Global Mobile Personal Communications Services, (GMPCS), All types of ISP licenses, Voice Mail/Audiotex/UMS, Resale of IPLC, Mobile Number, Portability Services, Infrastructure Provider Category-I (providing dark fibre, right of way, duct space, tower) except Other Service Providers.

In terms of the Consolidated FDI Policy and considering the present business activities of the Company, 100% foreign direct investment in the Company is permitted. Of the aforesaid limit, up to 49% foreign direct investment is permitted under the automatic route and investment beyond 49% would be required to be made under the government route.

Further, FDI in Telecom sector is also subject to observance of licensing and security conditions by licensee as well as investors as notified by the Department of Telecommunications from time to time, except "Other Service Providers", which are allowed 100% FDI on the automatic route.

Further, the Company will be required to make certain filings with the RBI after the completion of the Issue.

## HISTORY AND CERTAIN CORPORATE MATTERS

### Brief History of our Company

Our Company was originally incorporated as Dinesh Engineers Private Limited on February 07, 2006 at Mumbai, Maharashtra, India as a private limited company under the Companies Act, 1956. Thereafter, pursuant to a special resolution passed by our Shareholders on November 25, 2017, our Company was subsequently converted into a public limited company and its name was changed to “*Dinesh Engineers Limited*” and a fresh certificate of incorporation consequent upon change of name was issued by the Registrar of Companies, Maharashtra on January 30, 2018.

### Other details regarding our Company

For details of our Company’s corporate profile, activities, services, capacity/facility creation, products, geographical presence, market, growth, technology, standing with reference to prominent competitors, major customers and suppliers, see “*Industry Overview*”, “*Our Business*”, and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 101, 113 & 371, respectively of this Red Herring Prospectus.

For details regarding management of our Company and managerial competence, see “*Our Management*” beginning on page 137 of this Red Herring Prospectus.

### Changes in Registered Office of the Company since incorporation

The Registered Office of the Company is situated at DEPL House Neighbourhood Shopping Complex Sector-4, Nerul Navi Mumbai-400706, Maharashtra, India.

Except as disclosed below, there has been no change in the Registered Office of our Company since the date of our incorporation.

Date of Change	Details of change in the address of the Registered Office	Reasons for change in the address of the Registered Office
June 30, 2012	The registered office of our Company was shifted from 02 Neighbourhood Complex, 2 <sup>nd</sup> Floor Sector 4, Nerul Navi Mumbai-400706, Maharashtra to DEPL House Neighbourhood Shopping Complex Sector-4, Nerul Navi Mumbai- 400706 , Maharashtra.	Administrative and operational convenience

### Our Main Object

The main objects as per clause III contained in the Memorandum of Association are as follows:

“1. To Carry on the business of Mechanical, Electrical, Civil & Telecom Engineers by manufacturing, executing, maintaining, marketing, providing consultancy service, required for all types of industries and to Manufacture, Design, buy, sell, export, import, agents & dealers in engineering product of all description.”

The main objects as contained in our Memorandum of Association enable our Company to carry on the business presently being carried out as well as to carry on the activities for which the funds are being raised in the Issue.

### Amendments to our Memorandum of Association

Set out below are the amendments to the MoA since the incorporation of our Company.

Date of Shareholder’s resolution / effective date	Particulars
July 23, 2012	Clause V of the Memorandum of Association was amended to reflect increase in the authorized share capital of our Company from ₹5,00,000 comprising 50,000 Equity Shares of Face value of ₹10 each to ₹50,00,000 comprising 5,00,000 Equity Shares of Face value of ₹10 each .
August 30, 2013	Clause V of the Memorandum of Association was amended to reflect increase in the



	authorized share capital of our Company from ₹50,00,000 comprising 5,00,000 Equity Shares of Face value of ₹10 each to ₹2,00,00,000 comprising 20,00,000 Equity Shares of Face value of ₹10 each .
November 20, 2017	Clause V of the Memorandum of Association was amended to reflect increase in the authorized share capital of our Company from ₹2,00,00,000 comprising 20,00,000 Equity Shares of Face value of ₹10 each to ₹40,00,00,000 comprising 4,00,00,000 Equity Shares of Face value of ₹10 each .
November 25, 2017	Clause I of the Memorandum of Association was amended to reflect change in name from Dinesh Engineers Private Limited to Dinesh Engineers Limited pursuant to conversion of company from Private limited to public limited.
March 19, 2018	Change in the titles of the Memorandum of association to make it inline with the provisions of Companies Act 2013.
August 09, 2018	<p>Clause III B of the Memorandum of Association was altered by inserting sub clause III B 30 to reflect the following:</p> <p><i>“30. Subject to provisions of the Section 73 of the Companies Act, 2013, and the rules framed thereunder and directions issued by Reserve Bank of India from time to time as may be applicable , to receive the money , securities, valuable of all kinds on deposit or safe custody (not amounting to the business of banking as defined under the Banking Regulations Act, 1949) and to borrow or raise any money in such manner as the company shall think fit and in particular by issue of debenture or debenture stocks (perpetual or otherwise) and to secure the repayment of any money so borrowed, raised or owing by mortgage, charge , lien upon all or any of the Company’s property (both present or future) including its uncalled capital and also by similar mortgage , charge, or lien to secure and guarantee the performance by the Company or any other company or body corporate of any obligation undertaken by Company and any other person or Company as the case may be.”</i></p>

### Major events and milestone of Our Company

Year	Particulars
2006	<ul style="list-style-type: none"> <li>Our Company was incorporated on February 07, 2006.</li> </ul>
2008	<ul style="list-style-type: none"> <li>Registered as Infrastructure Provider Category 1 (IP-1) to establish and maintain assets such as Dark fibres, Duct space etc. for purpose to grant on lease or rent basis to licensees of Telecom Services.</li> <li>Procured first contract from Bharti Airtel Limited for construction of OFC network.</li> </ul>
2011	<ul style="list-style-type: none"> <li>Diversified into Gas pipe laying projects awarded by Mahanagar Gas Limited.</li> </ul>
2017	<ul style="list-style-type: none"> <li>Received ISO 9001:2015, ISO 14001:2015 and BS EN OHSAS 18001:2007 for scope of IP-1 form Advanced Certification Limited.</li> </ul>
2018	<ul style="list-style-type: none"> <li>Conversion of our company into a public limited company and change of name to Dinesh Engineers Limited.</li> </ul>

### Awards and Accreditations

We have received the following awards and accreditations:

Year	Particulars
*	<ul style="list-style-type: none"> <li>Appreciation received from Bharti Airtel Limited for contribution towards Roll out of 1000 Fiber Pops in Maharashtra.</li> </ul>
2015	<ul style="list-style-type: none"> <li>Recognition from Vodafone for being their “Safety Champion “.</li> </ul>
2016	<ul style="list-style-type: none"> <li>Appreciation received from Reliance Jio Infocomm Limited for “Best HSEF Performance”</li> </ul>

*\*date of the certificate is not mentioned on the appreciation certificate received from Bharti Airtel.*

### Shareholders of our Company:

Our Company has nine (9) shareholders as on the date of this Red Herring Prospectus. Below is the list of the shareholders of our Company as on the date of this Red Herring Prospectus:-

Sr. No.	Name of Shareholder	No. of Equity Shares	% of paid up share capital
1.	Dinesh Kollaiah Kargal	16,222,000	54.99
2.	Shashikala Dinesh Kargal	13,274,640	44.99



3.	Darshan Kumar Kargal	180	Negligible
4.	Dhanul Kargal	180	Negligible
5.	Eramma Kargal	2640	0.01
6.	Manjunath	90	Negligible
7.	Prema Bilgi	90	Negligible
8.	Rajkumar	90	Negligible
9.	Jalaja Shirguppe	90	Negligible
	<b>Total</b>	<b>29,500,000</b>	<b>100.00</b>

For further details on the shareholding pattern of our Company, please refer to the chapter titled “*Capital Structure*” on page 79 of this Red Herring Prospectus.

### Strategic or Financial Partners

Our Company does not have any financial partners or strategic partners.

### Partnership Firms

Our Company is a partner in the partnership firm namely M/s. Kon Reality and Kon Infraproject. Below are the details of the partnership firm:-

Name of Partnership Firm	Partnership deed date and Place of Business	Profit sharing Ratio
M/s Kon Reality	August 12, 2015 Shop No 4, Ratnamani Apartment, Dada Patil Wadi, Opp. Platform No. 1, Thane (West) – 400601	Dinesh Engineers Limited (15%)
M/s Kon Infra Project	April 20, 2016 Grampanchayat House No. 141, Kon Village, Taluka Bhiwandi, Dist. Thane.	Dinesh Engineers Limited (7.50%)

### Our Holding Company

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

### Our Subsidiary

As on the date of this Red Herring Prospectus, our Company has only one subsidiary, namely Dataexpress Private Limited. For details regarding our Subsidiary, see “*Our Subsidiary*” beginning on page 151 of this Red Herring Prospectus.

### Our Associate Company

As on the date of this Red Herring Prospectus, our Company has only two associate companies, namely Delix Net Solutions Private Limited and Vaviya Developers Private Limited. For details regarding our Associate companies, see “*Group Companies*” beginning on page 153 of this Red Herring Prospectus.

### Acquisition of Business/Undertakings

Our Company has not acquired any business or undertaking, and has not undertaken any merger, amalgamation or revaluation of assets.

### Revaluation of assets by the Company

Our Company had not revalued its assets in the past.

### Capital raising activities through equity or debt

For details regarding our capital raising activities through equity and debt, as applicable, see “*Capital Structure*” and “*Financial Indebtedness*” beginning on pages 79 and 368, respectively of this Red Herring Prospectus.

**Time and Cost overruns in setting up projects**

Our Company has not faced any time and cost overrun in setting up the projects, except in the ordinary course of business.

**Injunction or restraining order against our Company**

As on the date of this Red Herring Prospectus, there are no injunctions or restraining orders against our Company.

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

There have been no changes in the activities of our Company during the five years immediately preceding the date of this Red Herring Prospectus which may have had a material effect on the profits and loss account of our Company, including discontinuance of lines of business, loss of agencies or markets and similar factors.

**Defaults or Rescheduling of borrowings with financial institutions/banks and Conversion of loans into Equity Shares**

There have been no defaults or rescheduling of borrowings with any financial institutions/banks as on the date of the Red Herring Prospectus. Furthermore, except as disclosed in this Red Herring Prospectus, none of the Company's loans have been converted into equity in the past. For further details refer chapter "*Capital Structure*" beginning on page 79 of this Red Herring Prospectus.

**Lock-out or strikes**

There have been no instances of strikes, lock-outs or instances of labour unrest in our Company.

**Details of guarantees given by our Promoters**

Our Promoters have provided personal guarantees amounting to ₹ 660.60 million and ₹ 360 million to our lender i.e. Kotak Mahindra Bank and Yes Bank Limited respectively in relation to the credit limited sanctioned to our Company. Further, our Promoters have also provided their personal guarantee with respect to the operating lease facility amounting to Rs. 150.00 million secured from Tata Capital Financial Services Limited. For further details regarding loans guaranteed, please see "*Financial Indebtedness*" beginning on page 368 of this Red Herring Prospectus. In terms of the loan documents, the period of guarantee subsists during the tenure of the relevant facility. Any default or failure by us to repay this loan in a timely manner, or at all, could trigger repayment obligations on the part of our Promoters. Please see "*Risk Factors*" and "*Financial Indebtedness*" beginning on pages 18 and 368, respectively of this Red Herring Prospectus. Except as stated herein, our Promoters have not provided any guarantees on behalf of our Company to third parties which are currently outstanding.

**Key shareholders' agreement and other agreements**

As on the date of this Red Herring Prospectus, there are no subsisting shareholders agreements among our shareholders in relation to our Company, to which our Company is a party or otherwise has notice of the same.

## OUR MANAGEMENT

### Board of Directors

In terms of the AOA, our Company is required to have not less than 3 (three) Directors and not more than 15 (fifteen) Directors. Currently, our Company has 6 (six) Directors on the Board including 3 Independent Directors. The composition of the Board of Directors is governed by the provisions of the Companies Act. The following table sets forth details regarding our Board as on the date of this Red Herring Prospectus.

Sr. No.	Name, Designation, Address, Occupation, Nationality, Term and DIN	Age	Other Directorships
1.	<b>Name:</b> Mr. Dinesh Kollaiah Kargal <b>Address:</b> Flat No. G-702, Jay Balaji CHS, Plot No. 26, Sector 6, Nerul West, Navi Mumbai, Nerul Node III, Thane, Maharashtra-400706 <b>Designation:</b> Chairman and Managing Director <b>DIN:</b> 02503787 <b>Occupation:</b> Business <b>Term:</b> for a period of 3 Years w.e.f March 19, 2018 <b>Nationality:</b> Indian	54	<i>Companies</i> <ul style="list-style-type: none"> <li>• Dataexpress Private Limited</li> <li>• Delix Net Solutions Private Limited</li> <li>• Vaviya Developers Private Limited</li> </ul>
2.	<b>Name:</b> Mrs. Shashikala Dinesh Kargal <b>Address:</b> Flat No. G-702, Jay Balaji CHS, Plot No. 26, Sector 6, Nerul West, Navi Mumbai, Nerul Node III, Thane, Maharashtra-400706 <b>Designation:</b> Whole-time Director. <b>DIN:</b> 01397286 <b>Occupation:</b> Business <b>Term:</b> for a period of 3 years w.e.f March 19, 2018 and liable to retire by rotation. <b>Nationality:</b> Indian	48	<i>Companies</i> <ul style="list-style-type: none"> <li>• Dataexpress Private Limited</li> </ul>
3.	<b>Name:</b> Mr. Darshankumar Dinesh Kargal <b>Address:</b> Flat No. G-702, Jay Balaji CHS, Plot No. 26, Sector 6, Nerul West, Navi Mumbai, Nerul Node III, Thane, Maharashtra-400706 <b>Designation:</b> Non- Executive Director <b>DIN:</b> 07727278 <b>Occupation:</b> Business <b>Term:</b> Liable to retire by Rotation <b>Nationality:</b> Indian	24	<i>Companies</i> <ul style="list-style-type: none"> <li>• Dataexpress Private Limited</li> <li>• Delix Net Solutions Private Limited</li> </ul>
4.	<b>Name:</b> Showraiah Lourde Kakumanu <b>Address:</b> Flat No206, A- Wing, Dorabjee Paradise, Mohammad Wadi Road, Adjacent Vibgyor School NIBM, Pune-411060, Maharashtra. <b>Designation:</b> Independent Director <b>DIN:</b> 08006508 <b>Occupation:</b> Business <b>Term:</b> For period of 5 years w.e.f. December 27, 2017 <b>Nationality:</b> Indian	71	<i>Companies</i>  Nil
5.	<b>Name:</b> Chandrashekhar Joshi <b>Address:</b> Block No 501, Vilas Apartment, NR Sai Avane., Navghar, Mulund, Mumbai- 400 087, Maharashtra. <b>Designation:</b> Independent Director <b>DIN:</b> 07767416 <b>Occupation:</b> Consultant	60	<i>Companies</i> <ul style="list-style-type: none"> <li>• ANI Integrated Services Limited</li> </ul>

	<b>Term:</b> For period of 5 years w.e.f. December 27, 2017 <b>Nationality:</b> Indian		
6.	<b>Name:</b> Navin Kumar Jain <b>Address:</b> C/1301 and 2, Neelsidhi Atlantis, Sector- 19 A, Plot No. 49/1, Nerul East, Navi Mumbai – 400706, Thane, Maharashtra. <b>Designation:</b> Independent Director <b>DIN:</b> 07763257 <b>Occupation:</b> Professional <b>Term:</b> For period of 5 years w.e.f. August 01, 2018 <b>Nationality:</b> Indian	51	<b>Companies</b> <ul style="list-style-type: none"> <li>• Fintelligence Data Science Private Limited.</li> <li>• TJ Innovative Solutions Private Limited</li> </ul>

### Brief Profile of our Directors

**Mr. Dinesh Kollaiah Kargal**, aged 54 years is one of the Promoter and Managing Director of our Company. He has been on the Board of Directors of our Company since its incorporation. He has approximately 27 years of experience in the Telecom Infrastructure industry. He has completed his secondary education from Karnataka Secondary Education Board and holds a Diploma in Civil Engineering (General) from Sanjay Memorial Polytechnic, Sagar. He was a partner in a partnership firm, Dinesh Associates which was involved in the business of cable laying work & cable ducting and other rehabilitation work undertaking government and semi government contracts since 1991 which was subsequently dissolved. In the year 2000, he started his proprietary concern in the name and style of Dinesh Associates. He is experienced in directing the Company's overall business operation. He has been the recipient of Engineer of the Year Award, 2017 from Jain Engineers' Society, Navi Mumbai Chapter.

**Mrs. Shashikala Dinesh Kargal**, aged 48 years, is one of the Promoter and Whole-time Director of our Company. She has been on the Board of Directors of our Company since its incorporation. She has completed her secondary education from Karnataka Secondary Education Board. She has approximately 23 years of experience in the Telecom Infrastructure industry. She was a partner in a partnership firm, Dinesh Associates since 1995 which was inter-alia involved in the Telecom Infrastructure industry and which was subsequently dissolved. She was a sole proprietor of DA Enterprise since August 03, 2004 which was involved in Business Auxiliary Services.

**Mr. Darshankumar Dinesh Kargal**, aged 24 years, is a Non- Executive Director of the Company. He has experience of over 5 years. He holds a Diploma in Civil Engineering from Maharashtra State Board of Technical Education. He has been working with our Company from July 2013. He has been on our Board since November 20, 2017 and currently is responsible for looking after Business Projects and its operations.

**Mr. Showraiah Lourde Kakumanu**, aged 71 years, is an Independent Director of the Company. He holds a Bachelor's Degree in Science from Andhra University. He has previously worked with Bharat Sanchar Nigam Limited as a General Manager. He has been on our Board since December 27, 2017.

**Mr. Chandrashekhar Joshi**, aged 60 years, is an Independent Director of the Company. He has secured degrees of Masters in Commerce and LL.B. from Mumbai University. He also holds an MBA degree from the International University. He is also a qualified Cost Accountant from the Institute of the Cost Accountants of India. He is a practicing Cost Accountant. He has previously worked with M/s Sharp & Tannan, Waleed Foods, Inc. He has been on our Board since December 27, 2017.

**Mr. Navin Kumar Jain**, aged 51 years, is an Independent Director of the Company. He holds a degree of Master of Financial Services Management from University of Mumbai. He is also a qualified Company Secretary from the Institute of Company Secretaries of India. He has previously worked with Credit analysis and Research Limited. He has been on our Board since August 01, 2018.

### Relationship between Directors

Except as follows none of our Directors are related to each other

- Mr. Dinesh Kollaiah Kargal and Mrs. Shashikala Dinesh Kargal are husband and wife; and
- Mr. Darshankumar Dinesh Kargal is the son of Mr Dinesh Kollaiah Kargal and Mrs. Shashikala Dinesh Kargal

### Other Confirmations

- i. None of our Directors are willful defaulters as on the date of this Red Herring Prospectus.
- ii. Further, none of our Directors are or were directors of any listed company whose shares (a) have been or were suspended from trading on BSE Limited / National Stock Exchange of India Limited during the five years prior to the date of filing the Red Herring Prospectus or (b) delisted from the BSE Limited / National Stock Exchange of India Limited.
- iii. 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.

### Arrangement or understanding with major shareholders, customers, suppliers or others

There is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any of our Directors were appointed on the Board or as a member of the senior management.

### Service contracts with our Directors

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

### Borrowing Powers of our Board

By way of special resolution passed by the shareholders of our Company at the Extra-ordinary General Meeting held on December 27, 2017, the Board was authorized to borrow funds either from the banks, financial institutions, firms, companies, or other bodies from time to time, on such terms and conditions, as to repayment, interest or otherwise, as it thinks fit and proper in the interests of the Company, and such sums as may be necessary for the time being, may exceed the aggregate paid-up Share Capital and free reserves, that is to say, reserves not set apart for any specific purpose, provided that the aggregate of sums so borrowed shall not exceed the limit of Rs. 20 Million at any point of time and that such borrowings shall be exclusive of temporary loans obtained or to be obtained by the Company from the Company's bankers in the ordinary course of business.

### Compensation of Managing Director/Whole Time Director

The members of our Company at the Extra Ordinary General Meeting held on March 19, 2018 approved the terms of appointment and the remuneration payable to Mr. Dinesh Kollaiah Kargal, Managing Director of our Company with effect from March 19, 2018. The brief terms are set forth hereunder:

Particulars	Dinesh Kollaiah Kargal
Designation	Chairman and Managing Director
Salary	Upto ₹ 16.80 million per annum with effect from March 19, 2018.
Perquisite	Perquisites shall be evaluated as per the Income Tax Rule wherever applicable and in the absence of any such rule, Perquisites shall be evaluated at actual cost.
Reimbursement	Shall be entitled to reimbursement of expenses like Vehicle, Guest Entertainment, Travelling Expenses actually and properly incurred during the course of doing legitimate business of the company, and shall also be eligible for Housing, Education and Medical Loan and other Loans or facilities as applicable in accordance with the rules of the company and in compliance with the provisions of the Companies Act, 2013

For Financial Year ended 2018, Mr. Dinesh Kollaiah Kargal was paid an amount of ₹ 17.75 million.

The members of our Company at the Extra Ordinary General Meeting held on March 19, 2018 approved the terms of appointment and the remuneration payable to Mrs. Shashikala Dinesh Kargal, Whole-time Director of our Company with effect from March 19, 2018. The brief terms are set forth hereunder:

Particulars	Shashikala Dinesh Kargal
Designation	Whole-time Director
Salary	Upto ₹ 16.80 million per annum with effect from March 19, 2018.
Perquisite	Perquisites shall be evaluated as per the Income Tax Rule wherever applicable and in the absence of any such rule, Perquisites shall be evaluated at actual cost.
	Shall be entitled to reimbursement of expenses like Vehicle, Guest Entertainment,

Reimbursement	Travelling Expenses actually and properly incurred during the course of doing legitimate business of the company, and shall also be eligible for Housing, Education and Medical Loan and other Loans or facilities as applicable in accordance with the rules of the company and in compliance with the provisions of the Companies Act, 2013
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For Financial Year ended 2018, Mrs. Shashikala Dinesh Kargal was paid ₹ 3.38 million

The abovementioned remuneration and perquisites are subject to the ceiling laid down in Sections 197 and Schedule V of the Companies Act and all other applicable provisions of the Companies Act as may be amended from time to time. In case of payment of remuneration in excess of the prescribed limits, recovery of the excess amount may be waived by the Board of Directors upon the recommendation of the Remuneration Committee and with the approval of the Central Government.

Except as stated in this Red Herring Prospectus, no amount or benefit has been paid by our Company within the two preceding years or is intended to be paid or given by our Company to any of our Company's officers including our Directors and key management personnel.

Further, except statutory benefits upon termination of their employment in our Company or retirement, no officer of our Company, including our directors and our key management personnel, are entitled to any other benefits upon termination of employment.

Our Company does not have any bonus or profit sharing plan for its Directors.

#### Remuneration to Non-Executive Director and Independent Director

As per the resolution of our Board dated January 22, 2018, the sitting fee payable to each of our non-executive Directors for attending each meeting of our Board is ₹ 15,000 and ₹ 5000 per committee meeting.

#### Shareholding of our Directors

Except for the following Directors, no other Directors hold any equity shares in our Company:

Sr.No.	Name of Director	No. of shares held	% of pre-Issue holding
1.	Mr. Dinesh Kollaiah Kargal	16,222,000	54.990%
2.	Mrs. Shashikala Dinesh Kargal	13,274,640	44.999%
3.	Mr. Darshankumar Dinesh Kargal	180	0.001%
	<b>Total</b>	<b>29,496,820</b>	<b>99.998%</b>

#### Interests of Directors

The Directors of our Company may be deemed to be interested to the extent of fees, if any payable to them for attending meetings of the Board or a committee thereof as well as to the extent of remuneration, commission and reimbursement of expenses payable to them as per the terms of the Articles of our Company/Subsidiaries and relevant provisions of Companies Act. Our Directors may also be deemed to be interested to the extent of Equity Shares held by them in our Company and also to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares in our Company.

Our Directors who are designated as the key managerial personnel are interested in our Company to the extent of their remuneration, fees and commission the case may be payable to them. For further details, see *"Our Promoter – Interests of Promoters"* on page 149 of this Red Herring Prospectus.

Further, our Directors who are also our Promoters and certain members of our Promoter Group are also directors on the boards of certain Group Companies and they may be deemed to be interested to the extent of the payments made by our Company, if any, to/from these Group Companies. For the payments that are made by our Company to certain Group Companies, see *"Financial Statements- Note 39- Restated Consolidated Statement of Related party disclosures"* and *"Financial Statements- Note 39-Restated Standalone Statement of Related party disclosures"* on pages 210 and 313 of this Red Herring Prospectus. The Company has entered into a leave and license agreement dated April 01, 2015 ("Leave & License Agreement") with our Managing Director and one of our Promoters, Mr. Dinesh Kollaiah Kargal. The license is for use and occupation of shop situated at Shop No. 1 to 12, Neighbourhood shopping complex, Sector 4 Nerul, Navi Mumbai – 400706. The license has a term of five years from April 01, 2015 until March 31, 2020. In terms of the Leave & License Agreement, the Company is required to pay a license fee of ₹

0.30 million per month and the license fee is subject to increase of 15% every year on April 01 during the term of the Leave & the License Agreement.

Our Directors are not interested as a member of a firm or a company, and no sum has been paid or agreed to be paid to our Directors or to such firm or company in cash or shares or otherwise by any person for services rendered by them or by such firm or company in connection with the promotion or formation of our Company.

#### Changes in Board of Directors during the last three years

Name	Date of Change	Nature of Change	Reason
Dinesh Kollaiah Kargal	March 19, 2018	Re- appointment	Re- appointment as Managing Director
Shashikala Dinesh Kargal	March 19, 2018	Re designated	Re designated as Whole Time Director
Darshankumar Dinesh Kargal	November 20, 2017	Appointment	Appointment as Non-Executive Director
Showraiah Lourde Kakumanu	December 27, 2017	Appointment	Appointment as Independent Director
Sharad Gyanchandra Gandhi	December 27, 2017	Appointment	Appointment as Independent Director
Chandrashekhar Joshi	December 27, 2017	Appointment	Appointment as Independent Director
Sharad Gyanchandra Gandhi	August 01, 2018	Resignation	Resignation as Independent Director
Navin Kumar Jain	August 01, 2018	Appointment	Appointment as Additional Independent Director
Navin Kumar Jain	September 04, 2018	Regularized	Regularized as Independent Director

#### CORPORATE GOVERNANCE

The provisions of the Listing Agreement to be entered into with the Stock Exchange and the applicable regulations of SEBI Listing Regulations with respect to corporate governance will be applicable to us immediately upon the listing of our Equity Shares with the Stock Exchanges. The provisions of the Companies Act pertaining to the composition of the Board of Directors and the constitution of the committees such as the Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committees will be applicable to our Company on listing on the Stock Exchanges and our Company is, to the extent applicable, in compliance with such provisions.

We believe we are in compliance with the requirements of the applicable regulations, including the Listing Agreement with the Stock Exchange, the SEBI Listing Regulations and the SEBI ICDR Regulations, in respect of corporate governance including constitution of the Board and committees thereof. The corporate governance framework is based on an effective independent board, separation of the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

Our Board of Directors is constituted in compliance with the Companies Act, Listing Agreement to be executed with Stock Exchange, the SEBI Listing Regulations and in accordance with best practices in corporate governance, our Board of Directors functions either as a full board or through management which provides our Board of Directors detailed reports on its performance periodically.

Currently, our Board comprises 6 (Six) Directors of which 2 are Executive Directors [including 1(one) woman director], one Director as a Non-Executive Director and 3 (three) are Independent Directors.

#### Committees of our Board in accordance with the SEBI (LODR) Regulations, 2015

In compliance with the corporate governance norms, our Company has constituted the following committees:

##### A) Audit Committee

The Audit Committee was reconstituted by a meeting of the Board of Directors held on August 01, 2018. The members of the Audit Committee are:



Sr. No.	Name of the Member	Designation in the Committee	Nature of Directorship
1.	Mr. Chandrashekhar Joshi	Chairman	Independent Director
2.	Mr. Dinesh Kollaiah Kargal	Member	Managing Director
3.	Mr. Navin Kumar Jain	Member	Independent Director

**Terms of Reference of the audit committee shall include the following:**

1. 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;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval;
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval, with particular reference to;
  - a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - b) changes, if any, in accounting policies and practices and reasons for the same;
  - c) major accounting entries involving estimates based on the exercise of judgment by management;
  - d) significant adjustments made in the financial statements arising out of audit findings;
  - e) compliance with listing and other legal requirements relating to financial statements;
  - f) disclosure of any related party transactions;
  - g) modified opinion(s) in the draft audit report;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the listed entity with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company;
16. Discussing with the statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern;
17. 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;
18. 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;
19. The Audit Committee shall have authority to investigate into any matter in relation to the items specified in section 177(4) of Companies Act 2013 or referred to it by the Board;
20. 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;
21. To review the functioning of the whistle blower mechanism;
22. Approving the appointment of the Chief Financial Officer (i.e. the whole time finance director or any other person heading the finance function) after assessing the qualifications, experience and background, etc., of the candidate; and
23. Audit committee shall oversee the vigil mechanism;
24. Audit Committee will facilitate KMP/auditor(s) of the Company to be heard in its meetings;

25. Carrying out any other function as is mentioned in the terms of reference of the audit committee or containing into SEBI Listing Regulations 2015.

Further, the Audit Committee shall mandatorily review the following:

- 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;
- e) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; and
- f) Statement of deviations:
  - i. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - ii. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

The Company Secretary and the Compliance Officer shall act as the Secretary to the Audit Committee.

#### **B) Stakeholders Relationship Committee:**

The Stakeholders Relationship Committee was constituted by a meeting of the Board of Directors held on February 07, 2018. The members of the Stakeholders Relationship Committee are:

Sr. No.	Name of the Member	Designation in the Committee	Nature of Directorship
1.	Mr. Darshankumar Kargal	Chairman	Non- Executive Director
2.	Mr. Dinesh Kollaiah Kargal	Member	Managing Director

**Terms of Reference:** The terms of reference of the Stakeholders Relationship Committee are as follows:

1. Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the space at back for recording transfers have been fully utilized;
2. Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;
3. Review the process and mechanism of redressal of Shareholders' /Investor's grievance and suggest measures of improving the system of redressal of Shareholders' /Investors' grievances;
4. Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties;
5. Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them;
6. Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of insider Trading) Regulations, 2015 as amended from time to time;
7. Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting; and
8. Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

The Company Secretary and the Compliance Officer shall act as the Secretary to the Stakeholder Relationship committee.

#### **C) Nomination and Remuneration Committee:**

The Nomination and Remuneration Committee was constituted by a meeting of the Board of Directors held on February 07, 2018. The members of the Nomination and Remuneration Committee are:

Sr. No.	Name of the Member	Designation in the Committee	Nature of Directorship
1.	Mr. Chandrashekhar Joshi	Chairman	Independent Director
2.	Mr. Showraiah Kakumanu	Member	Independent Director

3.	Mr.Darshankumar Kargal	Member	Non Executive Director
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**Terms of Reference:** The Nomination and Remuneration Committee is responsible, among other things, for:

1. Identify persons who are qualified to become directors and may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance;
2. Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration for directors, KMPs and other employees;
3. Formulation of criteria for evaluation of performance of independent directors and the board of directors;
4. Devising a policy on diversity of board of directors;
5. 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;
6. Determine our Company's policy on specific remuneration package for the Managing Director / Executive Director including pension rights;
7. Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors;
8. Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose;
9. Decide the amount of Commission payable to the Whole Time Directors;
10. Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc.; and
11. To formulate and administer the Employee Stock Option Scheme.

The Company Secretary and the Compliance Officer shall act as the Secretary to the Nomination and remuneration committee.

#### **D) Corporate Social Responsibility Committee:**

The Corporate Social Responsibility Committee was re- constituted by a meeting of the Board of Directors held on January 22, 2018. The members of the Corporate Social Responsibility Committee are:

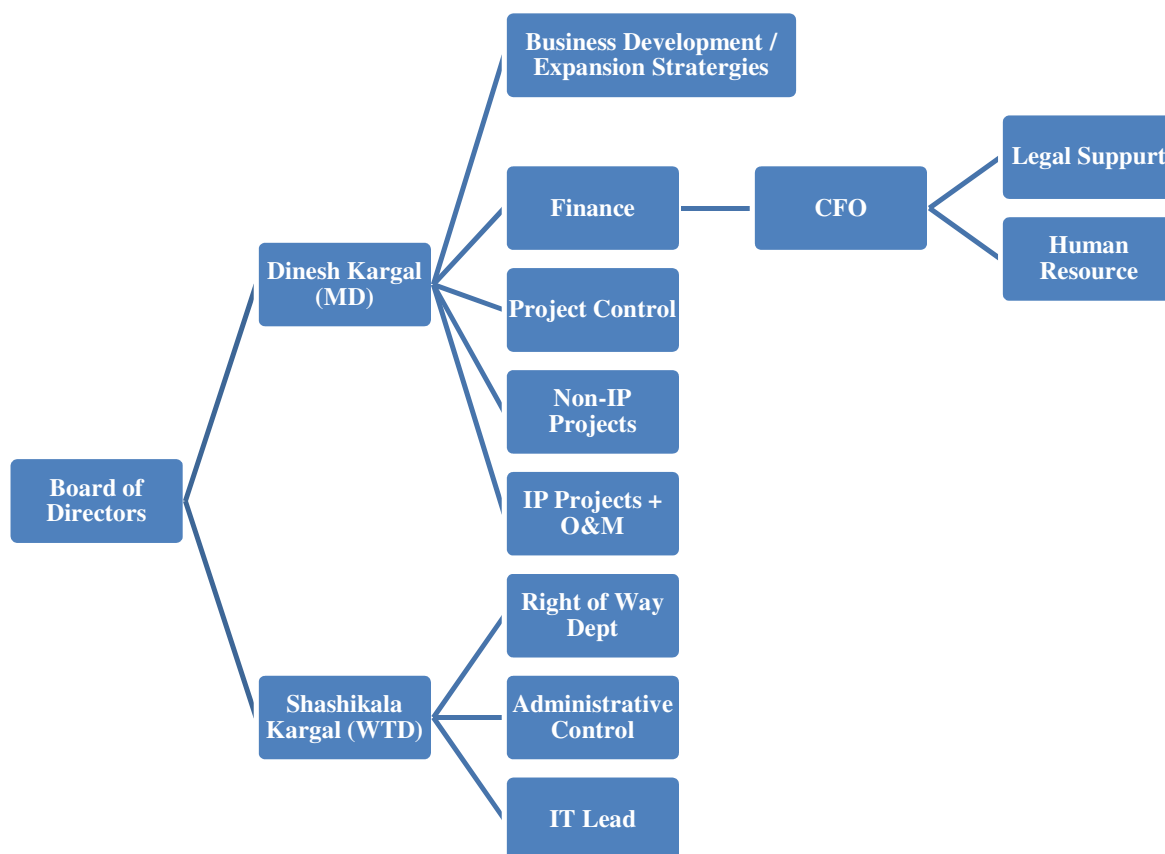
Sr. No.	Name of the Member	Designation in the Committee	Nature of Directorship
1.	Mr. Dinesh Kollaiah Kargal	Chairman	Managing Director
2.	Mr. Showraiah Kakumanu	Member	Independent Director
3.	Mrs. Shashikala Dinesh Kargal	Member	Whole Time Director

**Terms of Reference:** The Corporate Social Responsibility Committee is responsible for:

- 1) To formulate and recommend to the Board, a Corporate Social Responsibility Policy;
- 2) To recommend the amount of expenditure to be incurred on the activities;
- 3) To monitor the Corporate Social Responsibility Policy of the Company from time to time;
- 4) To formulate action plans to undertake CSR initiatives from time to time;
- 5) To take stock of the progress of the initiatives and to monitor the implementation of the scheduled initiative.

## Organizational Structure

The organizational structure of our Company is as under:



## KEY MANAGEMENT PERSONNEL

Given below are the details of our Key Management Personnel, in addition to Mr. Dinesh Kollaiah Kargal, the Chairman and Managing Director and Mrs Shashikala Dinesh Kargal, the Whole Time Director of our Company, as on the date of this Red Herring Prospectus. For details on profile of our Managing Director and Whole Time Director, kindly refer the chapter titled “*Our Management*” beginning on page 137 of this Red Herring Prospectus.

**Mr. Aksh Devesh Jain**, aged 25 years, is the Chief Financial Officer of our Company. He heads the accounts and financial reporting channels of our Company. He holds a degree in Bachelor of Commerce from R.A Podar College, Matunga. He is a qualified Chartered Accountant from Institute of Chartered Accountant of India. He has experience of approximately 2 years 5 months. He has previously worked with Ernst & Young as a consultant in tax practice. He was appointed as Assistant Manager – Finance & Accounts of the Company on January 5, 2017 and his designation was changed to Chief Financial Officer on November 21, 2017. His gross remuneration in the financial year ended 2018 was ₹ 0.87 million.

**Mr. Abhishek Gupta**, aged 24 years, is Company Secretary and Compliance Officer of our Company. He heads secretarial and compliance departments of our Company. He holds a degree in Bachelors of Commerce from D.A.V.V. and is also qualified Company Secretary from the Institute of Company Secretaries of India. He has 1 year of post-qualification experience in the fields of secretarial, legal compliance, corporate governance and corporate restructuring. Prior to joining our Company, he worked as a Company Secretary at M/s Makarand M. Joshi & Company. He was appointed Company Secretary and Compliance Officer of our Company with effect from November 21, 2017. His gross remuneration in the financial year ended 2018 was ₹ 0.07 million.

All the Key Management Personnel of our Company are permanent employees of our Company.

**Shareholding of Key Management Personnel**

Except for the equity shares held by Mr. Dinesh Kollaiah Kargal and Mrs. Shashikala Dinesh Kargal as disclosed in this Red Herring Prospectus, none of our KMPs hold any shares in our Company.

**Service contracts with Key Management Personnel**

Except for the terms set forth in their respective appointment letters, the Key Management Personnel have not entered into any other contractual arrangements with our Company for provision of benefits or payments of any amount upon termination of employment.

**Arrangement or understanding with major shareholders, customers, suppliers or others**

There is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any of our Key Management Personnel were appointed on the Board or as a member of the senior management.

**Bonus or Profit Sharing Plans**

Except as set out in this section, none of the Key Management Personnel are party to any bonus or profit sharing plan of our Company.

**Relationship amongst the Key Management Personnel of our company**

Except for Mr. Dinesh Kollaiah Kargal and Mrs. Shashikala Dinesh Kargal, none of the Key Management Personnel are related to each other within the meaning of Section 2 (77) of the Companies Act or as per SEBI ICDR Regulations.

No benefits in kind have been granted to our Key Management Personnel during previous financial year.

**Contingent or Deferred Compensation of Key Management Personnel**

None of our Key Management Personnel have received or are entitled to any contingent or deferred compensation.

**Loans to Key Management Personnel**

None of our Key Management Personnel have availed any loans as on the date of this Red Herring Prospectus.

**Interest of Key Management Personnel**

Except as disclosed in “*Interest of Directors*” in this Red Herring Prospectus, the Key Management Personnel of our Company do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

Further, the Key Management Personnel may be regarded as interested in the Equity Shares held by them, if any, and to the extent of any dividend payable to them and other distributions in respect of such Equity Shares.

Except as stated in chapter titled “*Related Party Transactions*” beginning on page 157 of this Red Herring Prospectus and as described herein above, our Key Management Personnel do not have any other interest in our business.

**Changes in Key Management Personnel during last three years**

Except for the appointment of, Mr. Aksh Devesh Jain as a Chief Financial Officer w.e.f. November 21, 2017 and Mr. Abhishek Gupta as a Company Secretary w.e.f. November 21, 2017, no changes in Key Management Personnel of our Company took place during last three years.

**Stock Option/ Stock Purchase Scheme for employees**

Presently, our Company does not have any employee stock option/employee stock purchase scheme for employees.

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**Non-salary related payment or benefits to our employees**

Except statutory entitlements for benefits upon termination of their employment in our Company or retirement, no officer of our Company, including our Directors and Key Management Personnel, is entitled to any benefits upon termination of employment under any service contract entered into with our Company. Except as stated otherwise in this Red Herring Prospectus and any statutory payments made by our Company, no amount or benefit has been paid or given, in the two years preceding the date of this Red Herring Prospectus, or is intended to be paid or given to any of our Company's officers except remuneration for services rendered as Directors, officers or employees of our Company.

## OUR PROMOTERS AND PROMOTER GROUP


The Promoters of our Company are:

1. Mr. Dinesh Kollaiah Kargal
2. Mrs. Shashikala Dinesh Kargal


As on the date of this Red Herring Prospectus, our Promoters hold, in aggregate 29,496,640 Equity Shares, representing 99.989 % of the subscribed and paid-up Equity Share Capital of our Company.

### Profile of our Promoters

1. Mr. Dinesh Kollaiah Kargal

	<p><b>Mr. Dinesh Kollaiah Kargal</b>, son of Mr. Kollaiah Jattaiah Kargal aged 53 years, residing at Flat No. G-702, Jay Balaji CHS, Plot No. 26, Sector 6, Nerul West, Navi Mumbai, Nerul Node III, Thane, Maharashtra-400706, India is one of the Promoter, Chairman and the Managing Director of our Company. He has been on the Board of Directors of our Company since its incorporation. He has approximately 27 years of experience in the Telecom Infrastructure industry. He has completed his secondary education from Karnataka Secondary Education Board and holds a Diploma in Civil Engineering (General) from Sanjay Memorial Polytechnic, Sagar. He was a partner in a partnership firm, Dinesh Associates which was involved in the business of cable laying work &amp; cable ducting and other rehabilitation work undertaking government and semi government contracts since 1991 which was subsequently dissolved. In the year 2000, he started his proprietary concern in the name and style of Dinesh Associates. He is experienced in directing the Company's overall business operation and has been the recipient of Engineer of the Year Award, 2017 from Jain Engineers' Society, Navi Mumbai Chapter.</p> <p>For further details, please refer to the chapter titled "<i>Our Management</i>" beginning on page 137 of this Red Herring Prospectus.</p> <p>Passport No.: H8651359  Driving License: MH4320070017822  Voter ID No: KT/21/165/105538  DIN: 02503787</p>
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2. Mrs. Shashikala Dinesh Kargal

	<p><b>Mrs. Shashikala Dinesh Kargal</b>, daughter of Mr. Chandraraj Shantappa Naik aged 47 years, residing at Flat No. G-702, Jay Balaji CHS, Plot No. 26, Sector 6, Nerul West, Navi Mumbai, Nerul Node III, Thane, Maharashtra-400706, is one of the Promoters and Whole-time Director of our Company. She has completed her secondary education from Karnataka Secondary Education Board. She has approximately 23 years of experience in the Telecom Infrastructure industry. She was a partner in a partnership firm namely Dinesh Associates since 1995 which was inter-alia involved in the cable laying industry and which was subsequently dissolved. She has been a Sole Proprietor of DA Enterprise since August 03, 2004 which is involved in Business Auxiliary Services.</p> <p>For further details, please refer to the chapter titled "<i>Our Management</i>" beginning on page 137 of this Red Herring Prospectus.</p> <p>Passport No.: H8651358  Driving License: MH4320070017673  Voter ID No: KT/21/165/105573  DIN: 01397286</p>
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We confirm that the permanent account number, bank account details and passport number of our Promoters will be submitted to the Stock Exchanges, at the time of filing the Draft Red Herring Prospectus with them.



## Interest of Promoters

Our Promoters who are also the Directors of our Company and may be deemed to be interested to the extent of fees, if any payable to them for attending meetings of the Board or a committee thereof as well as to the extent of remuneration, commission and reimbursement of expenses payable to them as per the terms of the Articles of our Company/Subsidiaries and relevant provisions of Companies Act. Our Promoters may also be deemed to be interested to the extent of Equity Shares held by them in our Company and also to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares in our Company.

Our Promoters who have been appointed on the Board of our Company and designated as the key managerial personnel are interested in our Company to the extent of their remuneration, fees and commission, as the case may be payable to them. For further details, see “Our Management – Interests of Directors” on page 140 of this Red Herring Prospectus.

Further, our Promoters and certain members of our Promoter Group are also directors on the boards of certain Group Companies and they may be deemed to be interested to the extent of the payments made by our Company, if any, to/from these Group Companies. For the payments that are made by our Company to certain Group Companies, see “Financial Statements- Note 39- Restated Consolidated Statement of Related party disclosures” and “Financial Statements- Note 39- Restated Standalone Statement of Related party disclosures” on pages 210 and 313 this Red Herring Prospectus.

Except as stated below, our Company has not entered into any contract, agreements or arrangements during the preceding two years from the date of this Red Herring Prospectus or proposes to enter into any such contract which is not on arm’s length basis and in the ordinary course of business, in which our Promoters are directly or indirectly interested, and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them. For further details of the related party transactions see “Related Party Transactions” beginning on page 157 of this Red Herring Prospectus.

The Company has entered into a leave and license agreement dated April 01, 2015 (“**Leave & License Agreement**”) with Dinesh Kollaiah Kargal, one of our Promoters. The license is for use and occupation of shop situated at Shop No. 1 to 12, Neighbourhood Shopping Complex, Sector 4 Nerul, Navi Mumbai – 400706. The license has a term of five years from April 01, 2015 until March 31, 2020. In terms of the Leave & License Agreement, the Company is required to pay a license fee of Rs. 0.30 million per month and the license fee is subject to increase of 15% every year on April 01 during the term of the Leave & the License Agreement.

Our Promoters have no interest in acquisition of land, construction of building and supply of machinery undertaken by our Company. Further, our Promoters are not interested in the properties acquired or proposed to be acquired by our Company in the two years preceding the filing of this Red Herring Prospectus. For further details, see section titled “Our Management” and “Related Party Transactions” beginning on pages 137 and 157 of this Red Herring Prospectus respectively.

Our Promoters are not interested as a member of a firm or a company and no sum has been paid or agreed to be paid to our Promoters or to such firm or company in cash or shares or otherwise by any person for services rendered by them or by such firm or company in connection with the promotion or formation of our Company.

## Payment or benefits to our Promoters in the last two years

Except as mentioned above under the heading “Interest of Promoters” and in the sections titled “Financial Statements- Note 39- Restated Consolidated Statement of Related party disclosures” and “Financial Statements- Note 39- Restated Standalone Statement of Related party disclosures” on pages 210 and 313 of this Red Herring Prospectus., no amount or benefits were paid or were intended to be paid to our Promoters during the last two years from the date of filing of this Red Herring Prospectus.

For further information, please refer to the details under the heading “Our Management – Interest of Directors” on page 140 of this Red Herring Prospectus.

## Group Companies/Entities

Sr. No.	Nature and extent of interest	Name and Type of Organization
1.	10% or more of the share capital held by the Promoter or an immediate relative of the Promoter	Dataexpress Pvt. Ltd.

	or a firm or HUF in which the Promoter or any one or more of his immediate relatives is a member	Delix Net Solutions Pvt. Ltd.
		Vaviya Developers Pvt. Ltd.
		Kon Reality (Partnership Firm)

#### Companies with which our Promoters have disassociated in the last three years

Except as mentioned below, our Promoters have not disassociated themselves from any company in the last three years preceding the date of this Red Herring Prospectus:-

Name of the Promoter	Name of the Company	Date of disassociation	Reasons and Circumstances
Dinesh Kollaiah Kargal	4G Network Telecom Private Limited	March 21, 2016	Resignation due to pre-occupation in other activities.
	Rank Infratel Private Limited	March 21, 2016	Resignation due to pre-occupation in other activities.

#### Change in Management and control of our Company

Our Promoters are the original promoters of the Company and there has not been any change in the management or control of our Company.

#### Promoter Group

In terms of Regulation 2(1) (zb) (ii) of the SEBI ICDR Regulations, the following natural persons, being immediate relatives of our Promoters, form part of the Promoter Group of our Company:

Relationship with Promoters	Mr. Dinesh Kollaiah Kargal	Mrs. Shashikala Dinesh Kargal
Father	Mr. Kollaiah Jattaiah Kargal	Mr. Chandraraj Shantappa Naik
Mother	Mrs. Eramma Kargal	Mrs. Dharanamma Naik
Spouse	Mrs. Shashikala Dinesh Kargal	Mr. Dinesh Kollaiah Kargal
Brother	Mr. Mohankumar Kargal	Mr. Manjunath
		Mr. Rajkumar
		Mr. Dinchandra
		Mr. Udaykumar
		Mr. Pavankumar
Sister	Ms. Jalaja Shirguppe	Ms. Shusheela Lengade
	Ms. Indira Jain	
	Ms. Prema Bilgi	
	Ms. Chandrakala Naik	
Son	Mr. Darshankumar D Kargal	Mr. Darshankumar D Kargal
	Mr. Dhanul D Kargal	Mr. Dhanul D Kargal

#### Other Confirmations:

None of our Promoters have been identified as willful defaulters by RBI or any other Government authority and there are no violations of securities law committed by our Promoters in past or pending against them. Our Promoters are not prohibited from accessing the capital markets and no order or direction has been passed by SEBI or any other regulatory/statutory authority.

None of the Promoters, Promoter Group entities or Group Companies have been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

There is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority during the last five years preceding the date of the Issue against our Promoters, except as disclosed under the chapter titled “*Outstanding Litigation and Material Developments*” beginning on page 394 of this Red Herring Prospectus.

## OUR SUBSIDIARY

As on date of this Red Herring Prospectus, our Company has one Subsidiary Company.

### Details of Subsidiary Company

#### 1. Dataexpress Private Limited

##### Corporate Information

Dataexpress Private Limited was incorporated under the Companies Act, 2013 on April 12, 2017. The memorandum of association authorizes Dataexpress Private Limited to carry on the business of internet service providers, leasing of passive infrastructure, national long distance services, content distribution and software designing, development, customization, implementation, maintenance, testing and benchmarking, designing, developing and dealing in computer software and solutions, and to import, export, sell, purchase, distribute, host in data centre's or over the web or otherwise deal in own and third party computer software packages, programs and solutions, and to provide internet, web based applications, services and solutions, provide or take up Information technology related assignments on sub-contracting basis, offering services on-site/offsite or through development centre's and services for Networking and network management, data centre management and in providing consultancy services in all above mentioned areas.

##### Capital Structure:

Particulars	Number of equity shares of face value ₹10 each
Authorised capital	2,500,000
Issued, subscribed and paid-up capital	500,000

##### Shareholding Pattern

The shareholding pattern of Dataexpress Private Limited

Name of the Shareholder	No. of Equity Shares held	Percentage of equity holding (%)
Dinesh Engineers Limited	260,000	52.00
Dinesh Kollaiah Kargal	120,000	24.00
Shashikala Dinesh Kargal	120,000	24.00
Total	500,000	100.00

##### Interest of our Promoters:

Our Promoters collectively hold 48.00 % shares of Dataexpress Private Limited. Further, our promoters Mr. Dinesh Kollaiah Kargal, Mrs. Shashikala Dinesh Kargal and their son Darshankumar Dinesh Kargal are directors' on the board of Dataexpress Private Limited.

##### Financial Information

Below is the financial information of Dataexpress Private Limited for the period ending March 31, 2018:-

Particulars	(in ₹ million, except per share data)
	For the period ended on March 31, 2018
Equity Capital	5.00
Reserves and Surplus	(0.69)
Sales and Other Income	Nil
Profit/(loss) after tax	(0.69)
Earnings/(Loss) per Share	(1.38)
Diluted earnings per share	(1.38)
Net asset value per share	8.62

There are no significant notes of the auditors in relation to the aforementioned financial statements.

##### Other Confirmations

1. The equity shares of our Subsidiary are not listed, nor has our Subsidiary been refused listing on any stock exchange in India or abroad.
2. Our Subsidiary has not made any public or rights issue of equity shares to public in the last three years.
3. Our Subsidiary has not become a sick company and is not under winding up.
4. Our Subsidiary Company has not been prohibited or debarred from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or any other authority
5. There are no accumulated profits or losses of our Subsidiary that are not accounted for by our Company.
6. There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against these Companies.

Our company has made investment in the Subsidiary company i.e. Dataexpress Private Limited which was done during the F.Y. 2017-18. Below are the details of the acquisition and consideration paid:-

Particular	Consideration paid (in Rs. Million)	Mode of Financing
Purchase of 2,60,000 equity shares of the company to the extent of 52 % of the paid up share capital of the Company	2.60	Own Funds

#### Significant sales / purchase with our Subsidiary

Our Company is not involved in any sales or purchases with any of our Subsidiary where such sales or purchases exceed in value in the aggregate of 10% of the total sales or purchases of our Company

#### Interest of the Subsidiary in our Company –

Our Subsidiary does not hold any Equity Shares in our Company.

Our Subsidiary does not have any business interest in our Company or have any transactions with the Company except as stated in “*Our Business*” and “*Related Party Transactions*” beginning on pages 113 and 157, respectively of this Red Herring Prospectus.

None of the Directors, their relatives and the members of the Promoter Group have sold or purchased securities of our Subsidiary during the six months preceding the date of this Red Herring Prospectus.

#### Common Pursuits

Our Subsidiary Company namely Dataexpress Private Limited is also engaged in the similar line of business as our Company as on the date of this Red Herring Prospectus. Although, our Subsidiary has not yet commenced its operations, it would share common pursuits with our Company on such commencement. Our Company will adopt the necessary procedures and practices as permitted by law and regulatory guidelines to address any conflict situation as and when it arises.

**GROUP COMPANIES**

*In terms of the SEBI ICDR Regulations, and in terms of the policy of materiality defined by our Board, pursuant to its resolution dated February 21, 2018 and August 20, 2018, our Group Companies include (i) companies included in the list of related parties prepared in accordance with applicable Ind AS or Accounting Standard in our restated financial statements for Fiscal 2018 and 2017, except our Subsidiary of our Company; or (ii) other material companies, namely, the companies (a) companies in which the investment in the form of equity or loan by our Company exceeds 10% of the net worth of our Company for the last audited financial year; (b) with which our Company has entered into one or more transactions in Financial Year 2018, which cumulatively exceeds 10% of our total revenue for Financial Year 2018; or (c) companies with which our Company has undertaken a related party transaction after March 31, 2018 (if not already covered in (a) or (b)) and other companies considered material by our Board.*

Based on the above, below are the group companies of our Company:

1. Delix Net Solutions Private Limited
2. Vaviya Developers Private Limited

Below are the details of our Group Companies:-

**Delix Net Solutions Private Limited***Corporate Information*

Delix Net Solutions Private Limited was incorporated under the Companies Act, 2013 on April 19, 2017. The memorandum of association authorizes Delix Net Solutions Private Limited to carry on the business of internet service providers, leasing of passive infrastructure, national long distance services, content distribution and software designing, development, customization, implementation, maintenance, testing and benchmarking, designing, developing and dealing in computer software and solutions, and to import, export, sell, purchase, distribute, host in data centre's or over the web or otherwise deal in own and third party computer software packages, programs and solutions, and to provide internet, web based applications, services and solutions, provide or take up Information technology related assignments on sub-contracting basis, offering services on-site/offsite or through development centre's and services for Networking and network management, data centre management and in providing consultancy services in all above mentioned areas.

*Capital Structure:*

Particulars	Number of equity shares of face value ₹ 10 each
Authorized capital	2,000,000
Issued, Subscribed and Paid-up capital	1,200,000

*Shareholding Pattern*

The shareholding of Delix Net Solutions Private Limited is as follows:

Name of the Shareholder	No. of Equity Shares held	Percentage of equity holding (%)
Dinesh Engineers Limited	3,12,000	26.00
Shashikala Dinesh Kargal	1,44,000	12.00
Dinesh Kollaiah Kargal	1,44,000	12.00
Santosh Nandlal Jayaswal	360,000	30.00
Neerav Suresh Parekh	240,000	20.00
<b>Total</b>	<b>1,200,000</b>	<b>100.00</b>

*Interest of our Promoters:*

Our Promoters collectively hold 24.00 % shares of Delix Net Solutions Private Limited. Further, Dinesh Kollaiah Kargal and his son Darshankumar Dinesh Kargal are directors' on the board of Delix Net Solutions Private Limited.

*Financial Information*

Below is the financial information of Delix Net Solutions Private Limited for the period ending March 31, 2018:-

(₹ in million, except per share data)

Particulars	For the period ended on
	March 31, 2018
Equity Capital	7.00
Reserves and Surplus	(2.36)
Sales and Other Income	0.12
Profit/(loss) after tax	(2.36)
Earnings/(Loss) per Share	(4.72)
Diluted earnings per share	(4.72)
Net asset value per share	6.63

There are no significant notes of the auditors in relation to the aforementioned financial statements.

### Vaviya Developers Private Limited

#### Corporate Information

Vaviya Developers Private Limited was incorporated under the Companies Act, 1956 on October 29, 2010. The memorandum of association authorizes Vaviya Developers Private Limited to carry on the business of real estate developer, builders, contractors, designers, architects, consultants and to acquire any interest in the property and turn-key projects or otherwise acquire lands, buildings and hereditaments of any tenure or description, assist or take part in the construction, maintenance, developments, working control and management thereof. To carry on the business of construction, building, operating, managing roads, bridges, highways, ports, industrial and software parks, sewage and drainage systems, generation and distribution of power, providing basic cellular, private telephone on commercial basis and similar infrastructural projects.

#### Capital Structure

Particulars	Number of equity shares of face value ₹ 10 each
Authorised capital	250,000
Issued, Subscribed and Paid-up capital	200,000

#### Shareholding Pattern

The shareholding of Vaviya Developers Private Limited is as follows:-

Name of the Shareholder	No. of Equity Shares held	Percentage of equity holding (%)
Dinesh Engineers Limited	50,000	25.00
Dinesh Keshavji Patel	50,000	25.00
Sailesh Dinesh Patel	50,000	25.00
SSV Builders Private Limited	50,000	25.00
Total	200,000	100.00

#### Interest of our Promoters

Our Promoters, Mr. Dinesh Kollaiah Kargal and Mrs. Shashikala Dinesh Kargal are interested to the extent of their shareholding in our Company which in turn holds 50,000 equity shares of ₹ 10/- each aggregating to 25% of the issued, subscribed and paid up share capital of Vaviya Developers Private Limited.

#### Financial Information

The financial information of Vaviya Developers Private Limited derived from its audited financial statements is as follows:

(in ₹ million, except per share data)

Particulars	Financial year ended on		
	2018	2017	2016
Equity Capital	2.00	2.00	2.00
Reserves and Surplus	(4.75)	(4.39)	(4.37)
Sales and Other Income	-	0.01	-
Profit/(loss) after tax	(0.35)	(0.02)	(0.27)
Earnings/(Loss) per Share	-	-	-
Diluted earnings per share	-	-	-

Net asset value per share	-	-	-
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*Note-EPS and net asset value have not been presented as the company has incurred losses in the respective financial year and also has negative net worth.*

Except as mentioned below, there are no significant notes of the auditors in relation to the aforementioned financial statements.

**Year 2015-16** – “The company has not established its internal financial control over financial reporting on criteria based on considering the essential components of internal control stated in the Guidance notes on audit of the Internal financial control over the financial reporting issued by the ICAI.”

#### **Loss making Group Companies**

Both the group companies namely Delix Net Solutions Private Limited and Vaviya Developers Private Limited have incurred loss in the preceding financial year.

#### **Details of Group Companies with negative net worth**

Except for Vaviya Developers Private Limited, none of our Group Companies have negative net worth.

#### **Details of sick or defunct Group Companies**

None of our Group Companies were declared as sick companies or are under winding up.

Further, during the five years preceding the date of this Red Herring Prospectus, no Group Company has remained defunct and no application has been made to the relevant registrar of companies for striking off the name of the Group Company.

#### **Nature and Extent of Interest of Group Companies**

##### **(a) In the promotion of our Company**

None of our Group Companies have any interest in the promotion or any business interest or other interests in our Company.

##### **(b) In the properties acquired or proposed to be acquired by our Company in the past two years before filing this Red Herring Prospectus with SEBI**

None of our Group Companies are interested in the properties acquired or proposed to be acquired by our Company in the two years preceding the filing of this Red Herring Prospectus.

##### **(c) In transactions for acquisitions of land, construction of building and supply of machinery**

Except as disclosed in “Financial Statements- Note 39- Restated Consolidated Statement of Related party disclosures” and “Financial Statements- Note 39- Restated Standalone Statement of Related party disclosures” on pages 210 and 313 this Red Herring Prospectus, none of our Group Companies are interested in any transactions for the acquisition of land, construction of building or supply of machinery.

#### **Common Pursuits amongst the Group Companies with our Company**

One of our Group Companies namely Delix Net Solutions Private Limited has objects similar to that of our Company, however, as on the date of this Red Herring Prospectus, none of the Group Companies are pursuing any business activities similar to that of our Company.

Accordingly, there are no common pursuits among any of our Group Companies and our Company. Our Company would adopt necessary measures and practices as permitted by law and regulatory guidelines to address any conflict situation as and when it arises.



**Related Business Transactions within the Group Companies and significance on the financial performance of our Company**

For more information, see “*Financial Statements- Note 39- Restated Consolidated Statement of Related party disclosures*” and “*Financial Statements- Note 39- Restated Standalone Statement of Related party disclosures*” on pages 210 and 313 of this Red Herring Prospectus.

**Significant Sale/Purchase between Group Companies and our Company**

None of our Group Companies are involved in any sales or purchase with our Company where such sales or purchases exceed in value in the aggregate of 10 % of the total sales or purchases of our Company.

**Other Confirmations**

None of our Group Companies are listed on any stock exchange or have made any public or rights issue to public of securities in preceding three years.

None of our Group Companies have been debarred from accessing the capital market for any reasons by the SEBI or any other authorities.

None of our Group Companies have been identified as willful defaulters as defined under the SEBI Regulations.

**Litigation**

For details relating to the legal proceedings involving the Group Companies, see the section titled “*Outstanding Litigation and Material Developments*” beginning on page 394 of this Red Herring Prospectus.

## RELATED PARTY TRANSACTIONS

For details of the related party disclosures, as per the requirements under Ind AS 24 and Accounting Standard 18 “Related Party Disclosures” issued by the Institute of Chartered Accountants in India and as reported in the Restated Financial Information, see “*Financial Information of the Company*” on page 210 and 313 of the Red Herring Prospectus.

## DIVIDEND POLICY

The declaration and payment of dividends will be recommended by the Board and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. The dividend, if any, will depend on a number of factors, including but not limited to capital requirements, applicable legal restrictions, and overall financial position of our Company.

The amounts paid as dividends in the past are not necessarily indicative of our Company's dividend policy or dividend amounts, if any, in the future. For details of risks in relation to our capability to pay dividend, see "*Risk Factors*" beginning on page 18 of this Red Herring Prospectus.

The details of dividend paid by our Company in the past Financial Years are given below:

	<b>2016-17</b>	<b>2015-16</b>
No. of Equity Shares	2,50,000	2,50,000
Dividend per Equity Share (in ₹)*	160.00	120.00
Rate of dividend	1600 %	1200 %
Total dividend (in ₹ Million)	40.00	30.00
Dividend Tax (in ₹ million)	8.14	6.11

\* Dividend was paid by way of interim dividends during the Financial Year.

Our past practices with respect to the declaration of dividend are not necessarily indicative of our future dividend declaration.

**SECTION V – FINANCIAL INFORMATION****FINANCIAL STATEMENT**

<b>Financial Statements</b>	<b>Page no.</b>
Statutory Auditor's report on consolidated Restated Financial Statements	<b>160</b>
Statutory Auditor's report on standalone Restated Financial Statements	<b>262</b>

## RESTATED FINANCIAL STATEMENTS

### Independent Auditors' Report

(As required by Section 26 of Companies Act, 2013 read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014)

To,

**The Board of Directors,  
Dinesh Engineers Limited  
DEPL House, Neighbourhood Shopping Complex,  
Sector-4, Nerul Navi Mumbai, MH-400706**

Dear Sirs,

We have examined the attached Restated Consolidated Financial Information of **Dinesh Engineers Limited** (the "Holding Company" or "Company") and its subsidiary and its associates (collectively referred to as "Group") which comprise of the Restated Consolidated Summary Statement of Assets and Liabilities as at 31 March, 2018, 31 March 2017, 31 March 2016 and 31 March 2015, the Restated Consolidated Summary Statements of Profit and Loss (including other comprehensive income) and Restated Consolidated Summary Statement of Changes in Equity for each of the years ended March 31, 2018, 2017 and 2016, the Restated Consolidated Summary Statements of Profit and Loss for the year ended March 31, 2015 and the Restated Consolidated Summary Statements of Cash Flows for the years ended March 31, 2018, 2017, 2016 and 2015 and the Consolidated Summary Statement of Significant Accounting Policies and related Annexures thereto (collectively, the "Restated Consolidated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on September 05, 2018 for the purpose of inclusion in the offer document prepared by the Company in connection with its proposed initial public offer (the "IPO").

- (1) The Restated Consolidated Financial Information has been approved by the Board of Directors of the Company and is prepared in terms of the requirements of:
  - (a) Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act") read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended ("the Rules"); and
  - (b) the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time in pursuance of provisions of Securities and Exchange Board of India Act, 1992 ("ICDR Regulations").
  - (c) The Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by the Institute of Chartered Accountants of India as amended from time to time (the "Guidance Note").
- (2) The preparation of the Consolidated Restated Financial Information is the responsibility of the Management of the Company for the purpose set out in paragraph 13 below. The Management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The Management is also responsible for identifying and ensuring that the Company complies with the Act, the Rules and ICDR Regulations.
- (3) We have examined such Restated Consolidated Financial Information after taking into consideration:
  - (a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter in connection with the IPO; and
  - (b) The Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by the Institute of Chartered Accountants of India ('ICAI'), ("The Guidance Note").
- (4) These Restated Consolidated Financial Information have been compiled by the Management from:
  - (a) Audited consolidated Ind AS financial statements of the Group as at and for the year ended March 31, 2018, prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time which have been approved by the Board at their meeting held on August 10, 2018. The comparative information for the year ended March 31, 2017 included in such financial statements have been prepared by making Ind AS

adjustments to the audited consolidated financial statements of the Group as at and for the year ended March 31, 2017, prepared in accordance with the accounting standards notified under the section 133 of the Companies Act, 2013, ("Indian GAAP") which was approved by the Board of directors at their meeting held on September 04, 2017.

- (b) Audited Consolidated Financial Statements of the Group as at and for the year ended March 31, 2015, prepared in accordance with the Indian GAAP, which have been approved by the Board of Directors at their meeting held on September 2, 2015.

The Restated Consolidated Financial Information also contains the proforma consolidated Ind AS financial statements as at and for the year ended March 31, 2016. These proforma consolidated Ind AS financial statements have been prepared by making Ind AS adjustments to the audited Indian GAAP financial statements as at and for the year ended March 31, 2016 which have been approved by the Board of Directors at their meetings held on September 2, 2016.

- (5) For the purpose of our examination, we have relied upon the Auditor's Report issued by **Nair & Nair Associates, Chartered Accountants, Mumbai** on the Consolidated Statements of Assets and Liabilities of the Company as at 31 March 2018, 31 March 2017, 31 March 2016 and 31 March 2015 and the audited Consolidated Statement of Profit and Loss for each of the years ended 31 March, 2018, 31 March 2017, 31 March 2016, and 31 March 2015. We have examined books of account underlying those audited financial statements and other records of the Company, to the extent considered necessary by us, for the presentation of the Restated Financial Information under the requirements of Schedule III of the Act.
- (6) In accordance with the requirements of Section 26 of Part I of Chapter III of the Act, read with Rules 4 to 6 of the Rules, the ICDR Regulations and the Guidance Note read together with paragraph 6 above (including reliance placed on the report of the statutory auditor as referred to in paragraph 6 above), we report that:
- (a) The **Restated Consolidated Summary Statement of Assets and Liabilities**, the **Restated Consolidated Summary Statement of Profit and Loss**, the **Restated Consolidated Summary Statement of Cash Flows**, of the Company, as at and for the year ended 31 March 2018, 31 March 2017, 31 March 2016 and 31 March 2015 examined by us have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and necessary. As a result of these adjustments, the amounts reported in the statements mentioned above are not necessarily the same as those appearing in the audited Consolidated Financial Statements of the Company as at and for each of the relevant financial years.
- (b) Based on the above and according to the information and explanations given to us, and as per the reliance placed on the report of the statutory auditor as referred to in Para 6 above, we further report that:
- (i) As explained in **Annexure IV** to the Restated Consolidated Financial Information, the Restated Financial Information has been prepared after incorporating adjustments for the changes in accounting policies and estimates retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting periods;
- (ii) As explained in **Annexure IV** to the Restated Consolidated Financial Information, the Restated Financial Information has been made after incorporating adjustments for the material amounts in the respective financial years to which they relate;
- (iii) The Restated Consolidated Financial Information does not contain any extra-ordinary items that need to be disclosed separately other than those disclosed already and do not contain any qualification requiring adjustments.
- (7) We have not audited or reviewed any Financial Statements of the Company as of any date or for any period subsequent to 31 March 2018. Accordingly, we express no opinion on the Financial Position, Results of the Operations or Cash Flow of the Company as of any date or for any period subsequent to 31 March 2018.
- (8) This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us or by other firm of Chartered Accountants, nor should this report be construed as a new opinion on any of the Financial Statements referred to herein.
- (9) We have no responsibility to update our report for events and circumstances occurring after the date of the report.

- (10) Our report is intended solely for use of the Management for inclusion in the offer document to be filed with SEBI and Stock Exchange where the equity shares are proposed to be listed and the relevant Registrar of Companies in India in connection with the IPO. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

**For Mansaka Ravi & Associates**  
**Chartered Accountants**  
**FRN: 015023C**

**CA Ravi Mansaka**  
**Partner**  
**M.N. 410816**

**Date: 05-09-2018**  
**Place: Jaipur**



**ANNEXURE-I**  
**RESTATED CONSOLIDATED STATEMENT OF ASSETS & LIABILITIES**

(Rs. in million)

Particulars	Note	As At		
		31-03-2018	31-03-2017	31-03-2016 (Proforma)
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
(a) <b>Property, Plant and Equipment</b>	1	689.81	677.51	500.23
(b) <b>Capital Work-in-Progress</b>		462.33	35.64	64.61
(c) <b>Intangible Assets</b>	2	3.82	0.40	0.73
(d) <b>Financial Assets</b>				
(i) <b>Trade Receivables</b>	3	59.95	93.81	69.02
(ii) <b>Investments</b>	4	1.29	0.01	0.01
(iii) <b>Loans</b>				
(iv) <b>Other financial assets</b>	5	293.41	163.59	115.57
(e). <b>Other non-current assets</b>	6	47.66	59.91	116.46
<b>Current Assets</b>				
(a) <b>Inventories</b>	7	174.98	0.00	0.00
(b) <b>Financial Assets</b>				
(i) <b>Investments</b>				
(ii) <b>Trade receivables</b>	8	821.03	475.75	238.18
(iii) <b>Cash and cash equivalents</b>	9	5.87	136.19	5.41
(iv) <b>Bank balances other than (iii) above</b>	10	1.31	12.01	3.96
(v) <b>Loans</b>	11	0.17	0.43	0.13
(vi) <b>Others current financial assets</b>	12	1503.55	281.94	243.43
(c) <b>Current Tax Asset (Net)</b>				
(d) <b>Other Current Assets</b>	13	114.17	43.23	39.46
<b>Total Assets</b>		<b>4179.36</b>	<b>1980.42</b>	<b>1397.20</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) <b>Equity Share Capital</b>	14	295.00	2.50	2.50
(b) <b>Other Equity</b>	15	784.85	459.00	287.32
(c) <b>Non-Controlling Interest</b>		2.07		
<b>LIABILITIES</b>				
<b>Non-Current Liabilities</b>				
(a) <b>Financial Liabilities</b>				
(i) <b>Borrowings</b>	16	94.25	96.39	36.21
(ii) <b>Other financial liabilities</b>				
(b) <b>Provisions</b>	17	2.83	3.66	2.33
(c) <b>Deferred tax Liabilities (Net)</b>	18	10.44	6.04	5.17
(d) <b>Other Non-Current Liabilities</b>	19	1047.20	787.89	464.80
<b>Current Liabilities</b>				
(a) <b>Financial Liabilities</b>				
(i) <b>Borrowings</b>	20	166.99	0.00	78.38
(ii) <b>Trade payables</b>	21			
(a) <b>total outstanding dues of micro enterprises and small enterprises; and</b>				
(b) <b>total outstanding dues of creditors other than micro enterprises and small enterprises.</b>		1367.29	436.97	376.33
(iii) <b>Other Financial Liabilities</b>	22	40.65	53.68	75.05
(b) <b>Other Current Liabilities</b>	23	163.13	128.28	68.95
(c) <b>Provisions</b>	24	1.35	0.22	0.15
(d) <b>Current Tax Liabilities</b>	25	203.31	5.80	0.00
<b>Total Equity and Liabilities</b>		<b>4179.36</b>	<b>1980.42</b>	<b>1397.20</b>

**Note:-** The above statement should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexures V, IV, II, and III.

**ANNEXURE – II**  
**RESTATED CONSOLIDATED STATEMENT OF PROFIT AND LOSS**

(Rs. in million)

	Particulars	Note	For the Year ended		
			31-03-2018	31-03-2017	31-03-2016 (Proforma)
<b>I</b>	Revenue from Operations	26	3021.73	1692.32	1222.53
<b>II</b>	Other Incomes	27	6.05	6.80	2.49
<b>III</b>	<b>Total Income (I+II)</b>		<b>3027.78</b>	<b>1699.11</b>	<b>1225.02</b>
<b>IV</b>	<b>Expenses:</b>				
	Operational Expenses	28	1540.96	1036.35	749.57
	Cost of Raw Material Consumed	29	388.27	73.33	93.53
	Changes in Inventories of Raw Material and work-in-progress	30	-174.98	0.00	26.85
	Employee Benefits Expenses	31	86.40	68.87	38.08
	Finance Costs	32	19.87	27.81	20.65
	Depreciation And Amortization Expense	33	112.94	97.26	61.82
	Administrative and Other Expenses	34	101.43	57.10	37.04
	<b>Total Expenses (IV)</b>		<b>2074.89</b>	<b>1360.72</b>	<b>1027.55</b>
<b>V</b>	<b>Profit before exceptional items, share of net profits of investments accounted for using equity method and tax (III-IV)</b>		<b>952.89</b>	<b>338.39</b>	<b>197.47</b>
<b>VI</b>	<b>Share of Net Profit of Associates accounted for using equity method</b>		-0.61	0.00	0.00
<b>VII</b>	<b>Profit/(loss) before exceptional items and tax (V-VI)</b>		<b>952.27</b>	<b>338.39</b>	<b>197.47</b>
<b>VIII</b>	Exceptional Items	35	1.12	0.42	0.35
<b>IX</b>	<b>Profit/(loss) before tax (VII-VIII)</b>		<b>951.15</b>	<b>337.97</b>	<b>197.13</b>
<b>X</b>	<b>.</b>				
	- Current Tax	36	330.23	116.63	66.22
	- Deferred Tax Liability / (Asset)	37	3.86	0.98	2.02
	Interest on Income Tax		0.06	0.32	0.00
<b>XI</b>	<b>Restated profit/(loss) after tax for the period from continuing operations</b>		<b>616.99</b>	<b>220.04</b>	<b>128.89</b>
	<b>Profit/(loss) from continuing operations attributable to:</b>				
	Owners of the parent		617.32		
	Non-controlling interest		-0.33		
<b>XII</b>	<b>Other Comprehensive Income</b>				
	(i) Items that will not be reclassified to profit or loss				
	Fair value gain loss on Investments				
	Remeasurement gain/loss on defined benefit obligation		1.56	-0.33	0.13
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-0.54	0.11	-0.03
	(i) Items that will be reclassified to profit or loss				
	(ii) Income tax relating to items that will be reclassified to profit or loss				
	<b>Total Other Comprehensive Income for the Period</b>		<b>1.02</b>	<b>-0.22</b>	<b>0.09</b>
	<b>Other Comprehensive Income for the year attributable to</b>				
	Owners of the parent		1.02		
	Non-controlling interest		0.00		
<b>XIII</b>	<b>Total Comprehensive Income for the period (XI+XII)</b>		<b>618.01</b>	<b>219.82</b>	<b>128.98</b>

	<b>Total Comprehensive Income for the period attributable to:</b>				
	<b>Owners of the parent</b>		<b>618.34</b>	<b>0.00</b>	<b>0.00</b>
	<b>Non-controlling interest</b>		<b>-0.33</b>	<b>0.00</b>	<b>0.00</b>
<b>XIV</b>	Profit/ (Loss) from Discontinuing operation		0.00	0.00	0.00
<b>XV</b>	Tax expenses of discontinuing operations		0.00	0.00	0.00
<b>XVI</b>	<b>Restated Profit/(loss) for the period</b>		<b>618.01</b>	<b>219.82</b>	<b>128.98</b>
<b>XVII</b>	<b>Earning per equity share:</b>	<b>38</b>			
	<b>(1) Basic (In Rs.)</b>		<b>20.95</b>	<b>7.45</b>	<b>4.37</b>
	<b>(2) Diluted (In Rs.)</b>		<b>20.95</b>	<b>7.45</b>	<b>4.37</b>

**Note:** The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, and cash flows appearing in Annexures V, IV, I and III.

**ANNEXURE – III**  
**RESTATED CONSOLIDATED STATEMENT OF CASH FLOWS**

(Rs. in million)

Particulars	For the Year ended		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net Profit before tax	<b>951.15</b>	<b>337.97</b>	<b>197.13</b>
Adjustment for :			
Less: Interest on Fixed Deposit	-4.85	-5.82	-2.49
Less: Loss on Sale of Fixed Assets	0.00	-0.83	0.00
Add: Depreciation	112.94	97.26	61.82
Add: Remeasurement Gain/Loss on defined benefit plan	1.56	-0.33	0.13
Add: Interest on Borrowed Fund & Finance Charges	19.87	27.81	20.65
<b>Operating profit before working capital changes</b>	<b>1080.66</b>	<b>456.06</b>	<b>277.25</b>
Adjustment for :			
(Increase)/Decrease in Inventories	-174.98	0.00	26.85
(Increase)/Decrease in Trade Receivables	-311.42	-262.36	-69.14
Decrease/(Increase) in Current Loans	0.25	-0.29	-0.09
(Increase)/Decrease in Other Current Assets	-70.95	-3.76	-3.01
(Increase)/Decrease in Other Non Current Assets	12.26	56.55	-92.42
(Increase)/Decrease in other non current financial asset	-129.82	-48.02	-18.41
Decrease/(Increase) in other current financial assets	-1221.60	-38.51	-243.42
Decrease/(Increase) in bank balance other than cash and cash equivalent	10.70	-8.05	-3.96
Increase/(Decrease) in Trade Payables	930.32	60.64	262.05
(Decrease)/Increase in Non-Current Provisions	-0.84	1.33	0.73
Increase/(Decrease) in Other Current Liabilities	34.86	59.32	6.40
(Decrease)/Increase in other current financial liabilities	-13.03	-15.27	53.60
Increase/(Decrease) in Other Non Current Liabilities	259.31	323.09	157.52
(Decrease)/Increase in Current Provisions	1.13	0.07	0.04
	<b>-673.80</b>	<b>124.73</b>	<b>76.74</b>
<b>Cash generated from / (used in) operations</b>	<b>406.86</b>	<b>580.79</b>	<b>353.98</b>
Income Tax Paid/(refund)	132.78	111.16	66.22
<b>Net cash generated from/(used in) operating activities - (A)</b>	<b>274.08</b>	<b>469.63</b>	<b>287.76</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Addition in Property, plant & equipment (PPE)	-128.67	-279.80	-230.54
Increase in Capital Work-in-Progress	-426.69	28.96	-39.67
Sale of Fixed Assets	0.00	6.41	0.00
Interest Income on Fixed Deposit	4.85	5.82	2.49
Increase/Decrease in Current Investments	0.00	0.00	0.00
Increase in non-current investments	-1.28	0.00	0.00
<b>Net cash (used in) Investing Activities - (B)</b>	<b>-551.78</b>	<b>-238.60</b>	<b>-267.73</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Increase/(Decrease) in Investments in Minority Interest	2.40		
Receipts from Increase of Share Capital	0.00	0.00	0.00
Payment of Dividends	0.00	-40.00	-30.00
Payment of Dividend Distribution tax	0.00	-14.25	0.00
(Decrease)/Increase in Non-Current Borrowings	-2.14	60.18	4.48
(Decrease)/Increase in Current Borrowings	166.99	-78.38	
Interest & Finance Charges	-19.87	-27.81	-20.65
<b>Net cash(used in) / from financing activities - (C)</b>	<b>147.38</b>	<b>-100.25</b>	<b>-43.78</b>
Net Increase/(decrease) in Cash & Cash Equivalents (A+B+C)	-130.31	130.78	-23.75
Cash and cash equivalents at the beginning of the year	136.19	5.41	29.16
<b>Cash and cash equivalents at the end of the year</b>	<b>5.87</b>	<b>136.19</b>	<b>5.41</b>
Cash and cash equivalents at the end of year comprises :			
1. Components of cash and cash equivalents:			
<b>Particulars</b>	<b>March 31, 2018</b>	<b>March 31, 2017</b>	<b>March 31,</b>

			<b>2016 (Proforma)</b>
Cash on hand	2.74	1.85	0.09
Balances with scheduled banks:			
In current accounts	3.13	134.34	5.32
<b>Total Cash and cash equivalents</b>	<b>5.87</b>	<b>136.19</b>	<b>5.41</b>

**Notes: -**

1. The Cash Flow Statement has been prepared under indirect method as set out in Accounting Standard -3 on Cash Flow Statement, specified under the Companies Act, 1956 (which are deemed to be applicable as Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of Companies (Accounts) Rules, 2014).
2. Figures in Brackets or figures with "-" represents outflow.
3. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses as appearing in Annexures V, IV, I and II.

## ANNEXURE-IV

## RESTATED CONSOLIDATED SUMMARY STATEMENT OF CHANGES IN EQUITY

## A. Equity Share Capital

(Rs. in million)

Particulars	As At		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Opening Balance at the beginning of the Year	2.50	2.50	2.50
Changes in Equity share capital during the Year			
(a) addition during the year	292.50		
Closing Balance at the end of the Year	295.00	2.50	2.50

## B. Other Equity

(Rs. in million)

Particulars	Reserves and Surplus			Other Comprehensive Income		Total
	Retained Earnings	General Reserve	Total Reserves (Other than OCI)	Defined benefit obligation	Total OCI	
<b>Balance as at April 1,2015 (Proforma)</b>	194.76		194.76	-0.32	-0.32	194.45
Profit for the year	128.89		128.89		0.00	128.89
Remeasurement gain/loss on defined benefit obligation			0.00	0.09	0.09	0.09
Interim Dividend Payment for FY 15-16	-30.00		-30.00		0.00	-30.00
Dividend Distribution Tax	-6.11		-6.11		0.00	-6.11
<b>Balance as at March 31, 2016</b>	<b>287.55</b>	<b>0.00</b>	<b>287.55</b>	<b>-0.22</b>	<b>-0.22</b>	<b>287.32</b>
<b>Balance as at April 1,2016 (Proforma)</b>	287.55		287.55	-0.22	-0.22	287.32
Profit for the year	220.04		220.04		0.00	220.04
Remeasurement gain/loss on defined benefit obligation			0.00	-0.22	-0.22	-0.22
Interim Dividend Payment for FY 16-17	-40.00		-40.00		0.00	-40.00
Dividend Distribution Tax	-8.14		-8.14		0.00	-8.14
<b>Balance as at March 31, 2017</b>	<b>459.44</b>	<b>0.00</b>	<b>459.44</b>	<b>-0.44</b>	<b>-0.44</b>	<b>459.00</b>
Profits for the year	617.32		617.32		0.00	617.32
Fair valuation of investments			0.00		0.00	0.00
Capitalisation of earnings by issue of bonus shares	-292.50		-292.50		0.00	-292.50
Remeasurement gain/loss on defined benefit obligation	0.00		0.00	1.02	1.02	1.02
<b>Balance as at March 31, 2018</b>	<b>784.27</b>	<b>0.00</b>	<b>784.27</b>	<b>0.58</b>	<b>0.58</b>	<b>784.85</b>

**Note.:** The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses as appearing in Annexures V, III, I and II.

## ANNEXURE V

## RESTATED CONSOLIDATED SUMMARY STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES

### A. BACKGROUND

**Dinesh Engineers Limited (Earlier known as Dinesh Engineers Private Limited) (“the Company”)** was incorporated on 07th February, 2006. It is a passive communication infrastructure provider Company in India, focused on providing passive communication infrastructure services mainly to the Telecom operators and internet service providers (“ISPs”).

### B. BASIS OF PREPARATION & SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### (1) Basis of preparation

The Restated Consolidated Summary Statement of Assets and Liabilities of DINESH ENGINEERS Limited (the “Company”) as at March 31, 2018, 2017 and 2016 and the related Restated Consolidated Summary Statement of Profit and Loss (including other comprehensive income), the Restated Consolidated Summary Statement of Changes in Equity and the Restated Consolidated Summary Statement of Cash Flow for the years ended March 31, 2018, 2017 and 2016 (hereinafter collectively referred to as “Restated Consolidated Financial Information”) have been prepared as follows:

- a) The financial information as at and for the year ended March 31, 2018 and March 31, 2017 have been prepared on the basis of the audited Consolidated Ind AS financial statements of the Company as at and for the year ended March 31, 2018, prepared in accordance with the Indian Accounting Standards (referred to as “Ind AS”) as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time which have been approved by the Board at their meeting held on August 10, 2018. The comparative information for the year ended March 31, 2017 included in such financial statements have been prepared by making Ind AS adjustments to the audited Consolidated financial statements of the Company as at and for the year ended March 31, 2017, prepared in accordance with the accounting standards notified under the section 133 of the Companies Act, 2013, (“Indian GAAP”) which was approved by the Board of directors at their meeting held on September 04, 2017.
- b) The proforma financial information as at and for the year ended March 31, 2016 has been prepared by making Ind AS adjustments to the audited Indian GAAP financial statements as at and for the year ended March 31, 2016 which were approved by the Board of Directors at their meeting held on September 02, 2016.

**These Restated Financial Information** have been prepared specifically for the purpose of inclusion in the offer document to be filed by the Company with the Securities and Exchange Board of India (“SEBI”), Registrar of Companies (“ROC”) and relevant stock exchange/s, as may be required in connection with the proposed Initial Public Offering (“IPO”) of its equity shares in accordance with the requirement of:

- a) Section 26 of the Companies Act, 2013;
- b) The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 issued by the Securities and Exchange Board of India (“SEBI”) on August 26, 2009, as amended to date in pursuance of provisions of Securities and Exchange Board of India Act, 1992 read along with SEBI circular No. SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016 (together referred to as the “SEBI regulations”); and
- c) Guidance note on reports in company prospectuses issued by The Institute of Chartered Accountants of India (“ICAI”).

For all the periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with Accounting Standards notified under section 133 of the Companies Act, 2013 (“Indian GAAP” or “Previous GAAP”). The date of transition to Ind AS is April 1, 2016. As envisaged by the SEBI Circular, the Company has followed the same accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on its Ind AS transition date (i.e. April 1, 2016) while preparing proforma financial information for the FY 2015-16 and accordingly, suitable restatement adjustments in the accounting heads have been made in the proforma financial information.



The Restated Consolidated Financial Information is presented in Indian Rupees (INR) and all values are rounded to the nearest millions upto two decimals, except where otherwise indicated.

## (2) Basis of Consolidation

The Consolidated financial statements relate to Dinesh Engineers Limited (formerly known as Dinesh Engineers Private Limited) and its subsidiaries. These Consolidated financial statements have been prepared on the following basis

The financial statements of the subsidiary companies used in the consolidation are drawn upto the same reporting date as that of the Company. These have been Consolidated based on latest available financial statements. Necessary adjustments have been made, for the effects of significant transactions and other events between the reporting dates of the such financial statements and these Consolidated financial statements.

The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses, unless cost cannot be recovered.

Non-controlling interests in the net assets (excluding goodwill) of Consolidated subsidiaries are identified separately from the equity attributable to shareholders of the Company. The interest of non-controlling shareholders is initially measured at fair value. Total comprehensive income is attributed to non-controlling interests even if it results in the non-controlling interest having a deficit balance.

When the Company loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between: (i) the aggregate of the fair value of consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognized in other comprehensive income in relation to the subsidiary are accounted for (i.e., reclassified to profit or loss) in the same manner as would be required if the relevant assets or liabilities were disposed off.

### Associate Companies:

The financial statements of the Company and its Associates are Consolidated using the equity method as per IND AS – 28. The Equity method is a method of accounting whereby the investment is initially recorded at cost, identifying any goodwill/capital reserves arising at the time of acquisition. The carrying amount of investment is adjusted thereafter for the post acquisition change in the investor's share of net assets of the investee.

The financial statements of the associates are drawn up to recording date.

The subsidiaries and associates (which along with Dinesh Engineers Limited, the parent, constitute the group) considered in the presentation of these Consolidated Financial Statements are:

S.N.	Name of Company	Relationship	Country of Incorporation	Proportion of Ownership Interest	
				31-03-2018	01-04-15 to 31-03-2017
1.	Data Express Private Limited	Subsidiary	India	52%	NIL
2.	Delix Net Solutions Private Limited	Associate	India	26%	NIL
3.	Vaviya Developers Private Limited	Associate	India	25%	25%

## (3) Use of Estimates

The preparation of these Restated Consolidated Financial Information in conformity with Indian GAAP requires the Management to make judgments, estimates and assumptions that effect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in current and future periods.

#### **(4) Current and Non-Current Classification**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

##### **Assets**

An asset is classified as current when it satisfies any of the following criteria:

- a. it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b. it is held primarily for the purpose of being traded;
- c. it is expected to be realised within 12 months after the reporting date; or
- d. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

##### **Liabilities**

A liability is classified as current when it satisfies any of the following criteria:

- a. it is expected to be settled in the Company's normal operating cycle;
- b. it is held primarily for the purpose of being traded;
- c. it is due to be settled within 12 months after the reporting date; or
- d. the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current assets/ liabilities include the current portion of non-current assets/ liabilities respectively. All other assets/ liabilities are classified as non-current.

##### **Operating cycle**

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company considers its operating cycle to be within one year.

#### **(5) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Company has applied following accounting policies to all periods presented in the Consolidated Ind AS Financial Statement.

##### **a) Revenue Recognition**

###### **(i) Revenue from leasing out Fibre Capacity**

Revenue from granting right to use the fibre capacity on the concept of IRU (Indefeasible Right to Use) is classified as "operating lease" in terms of Indian Accounting Standard – 17 "Leases". Accordingly lease income is recognized on a straight-line basis over the lease term even if the receipts are not on such a basis, unless another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished.

###### **(ii) In respect of Contracts of Fibre Capacity Installation**

- a) When the outcome of a construction contract can be estimated reliably, contract revenue and contract costs are recognized as revenue and expenses respectively by reference to the stage of completion of the contract activity at the balance sheet date ("percentage-of-completion method"). When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognized to the extent of contract costs incurred that are likely to be recoverable. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognized as an expense immediately.
- b) Contract revenue comprises the initial amount of revenue agreed in the contract and variations in the contract work and claims that can be measured reliably. A variation or a claim is recognized as contract

revenue when it is probable that the customer will approve the variation or negotiations have reached an advanced stage such that it is probable that the customer will accept the claim.

- c) The stage of completion is measured by reference to the ratio of contract costs incurred to date to the estimated total costs for the contract. Costs incurred during the financial year in connection with future activity on a contract are excluded from the costs incurred to date when determining the stage of completion of a contract. Such costs are shown as construction contract work-in-progress on the balance sheet unless it is not probable that such contract costs are recoverable from the customers, in which case, such costs are recognized as an expense immediately.
- d) At the balance sheet date, the cumulative costs incurred plus recognized profit (less recognized loss) on each contract is compared against the progress billings. Where the cumulative costs incurred plus the recognized profits (less recognized losses) exceed progress billings, the balance is presented as “unbilled revenue” i.e. due from customers on construction contracts within “Other Current Financial Assets”. Where progress billings exceed the cumulative costs incurred plus recognized profits (less recognized losses), the balance is presented as due to customers on construction contracts within “trade and other payables”. Progress billings not yet paid by customers are included within “trade and other receivables”. Advances received are included within “Other Current Liabilities”.
- (iii) Revenue is measured at the fair value of the consideration received or receivable, net of discounts, volume rebates, outgoing service tax, Goods & Service Tax (GST) and other applicable indirect taxes.
- (iv) Service tax / Goods & Service Tax (GST) is not received by the Company on its own account. Rather, it is tax collected on value added to the services by the service provider on behalf of the Government. Accordingly, it is excluded from revenue.
- (v) Revenue is recognized to the extent that it is possible that the economic benefits will flow to the company and the revenue can be reliably measured with reliable certainty of realizing the consideration.
- (vi) Revenue from the contract is recognized on percentage completion method by reference to the physical completion of the work. The Company raises the running bills on their customers as stipulated in the terms and conditions mentioned in the contract. However, on the basis of physical completion of the contract obtained from the survey by the technical consultants, any excess or shortfall in revenue is recognized as “Unbilled Revenue”.

Other Incomes:

**Interest income** is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Interest is accounted on accrual basis on overdue receivables.

### **Dividend**

Dividend income is recognized when the right to receive dividend is established.

### **b) Property, Plant and Equipment**

#### **(A) Property, Plant and Equipment**

Property, plant and equipment are tangible items that:

- (i) are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and
- (ii) are expected to be used during more than one period.

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, attributable borrowing cost and any other directly attributable costs of bringing an asset to working condition and location for its intended use. It also includes the present value of the expected cost for the

decommissioning and removing of an asset and restoring the site after its use, if the recognition criteria for a provision are met.

Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to the statements of profit and loss in the period in which the costs are incurred. Major inspection and overhaul expenditure is capitalized if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the statement of profit and loss as incurred.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within other income/other expenses in statement of profit and loss.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss, when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at the end of each financial year considering the physical condition of the property, plant and equipment and benchmarking analysis or whenever there are indicators for review of residual value and useful life.

Items such as spare parts, stand-by equipment and servicing equipment are recognized in accordance with this Ind AS when they meet the definition of property, plant and equipment. Otherwise, such items are classified as inventory. It is estimated that spares having a value of more than Rs. 2 lacs are assumed to qualify for the definition of property plant equipment. Life of the spares has been considered to be 18 months. Residual value of 5% has been considered for all the spares capitalised. The residual value of such spares is transferred to the Statement of Profit and Loss as and when they are consumed.

#### **(B) Capital Work-in-Progress**

Assets in the course of construction are capitalized in capital work in progress account. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the commissioning of an asset are capitalised when the asset is available for use but incapable of operating at normal levels until the period of commissioning has been completed.

#### **(C) Depreciation**

Assets in the course of development or construction and freehold land are not depreciated. Other property, plant and equipment are stated at cost less accumulated depreciation and any provision for impairment. Depreciation commences when the assets are ready for their intended use.

Depreciation is calculated on the depreciable amount, which is the cost of an asset less its residual value. Depreciation is provided at rates calculated to write off the cost, less estimated residual value, of each asset on a written down value basis over its expected useful life.

Depreciation on Property, plant and equipment sold, discarded or demolished during the year, if any, is being provided pro-rata up to the date on which such Property, plant and equipment are sold, discarded or demolished.

Depreciation on Property, plant and equipment is provided for on a written down value method at the rates prescribed in Schedule II to the Companies Act, 2013.

Pursuant to the Act being effective from 01 April 2014, the Company has revised depreciation rates on certain Property, plant and equipment as per the useful life specified in Part 'C' of Schedule II to the Act. As a result of this change, the depreciation charge for the year ended 31 March 2015 is higher by an amount of Rs. 0.12 million in respect of Property, plant and equipment whose useful life is already exhausted as on 01 April 2014 has been adjusted from retained earnings.

#### **(D) Intangible Assets**

Intangible assets acquired are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite. The Company currently does not have any intangible assets with indefinite useful life. Intangible assets are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

#### **(E) Cash & Cash Equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

#### **(F) Inventories**

Inventories being raw materials are valued at the lower of cost and net realisable value (NRV).

Inventory being Work-in-Progress are valued in terms of Indian accounting standard – 11 “Construction Contracts”.

#### **(G) Employee Benefits**

##### **(i) Short-term employee benefits**

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, performance incentives and compensated absences which are expected to occur in next twelve months. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service is rendered by employees.

##### **Compensated absences:**

Compensated absences accruing to employees and which can be carried to future periods but where there are restrictions on availment or encashment or where the availment or encashment is not expected to occur wholly in the next twelve months, the liability on account of the benefit is determined actuarially using the projected unit credit method.

##### **(ii) Post-employment benefits –**

##### **Defined benefit plans – Gratuity**

The Company has a defined benefit plan (the “Gratuity Plan”). The Gratuity Plan provides a lump sum payment to employees who have completed five years or more of service at retirement, disability or termination of employment, being an amount based on the respective employee’s last drawn salary and the number of years of employment with the Company. Presently the Company’s gratuity plan is unfunded.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets if any. This cost is included in employee benefit expense in the statement of profit and loss.

The liability or asset recognized in the balance sheet in respect of gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets if any. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income and are never reclassified to profit or loss. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in the statement of profit and loss as past service cost.

#### **Defined Contribution Plans – Provident Fund**

Provident Fund & Pension Fund are defined contribution schemes as per applicable rules/statute and contribution made to the Provident Fund Trust and Regional Provident Fund Commissioner respectively are charged to the Statement of Profit and Loss.

### **(H) Taxation**

#### **Current income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### **Deferred tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences, except when it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

#### **Sales Tax/ GST / VAT**

Sales/ value added taxes paid on acquisition of assets or on incurring expenses are recognized net of the amount of sales/ value added taxes paid, except:

☐ When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

☐ When receivables and payables are stated with the amount of tax included, the net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

### **Minimum Alternate Tax**

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future 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.

### **(I) Earnings Per Share**

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit and loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit and loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

### **(J) Provisions and Contingencies**

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS.

Provisions represent liabilities to the Company for which the amount or timing is uncertain. Provisions are recognized when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in the statement of profit and loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

The Company has significant capital commitments in relation to various capital projects which are not recognized on the balance sheet. In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Company involved, it is not expected that such contingencies will have a material effect on its financial position or profitability.

Contingent assets are not recognized but disclosed in the financial statements when an inflow of economic benefits is probable.

### **(K) Cash Flow Statement**

Cash flows are reported using indirect method as set out in Ind AS -7 "Statement of Cash Flows", whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

### **(L) Segment Reporting**

#### **(i) Business Segment**

(a) The business segment has been considered as the primary segment.



- (b) The Company's primary business segments are reflected based on principal business activities, the nature of service, the differing risks and returns, the organization structure and the internal financial reporting system.
- (c) The Company's primary business comprises of communication infrastructure services and since it is the only reportable segment as envisaged in relevant Ind AS. Accordingly, no separate disclosure for Segment reporting is required to be made in the Consolidated Ind AS financial statements of the Company.

**(ii) Geographical Segment**

The Company operates in one Geographical Segment namely "within India" and hence no separate information for geographic segment wise disclosure is required.

**(M) Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

**(N) Impairment of Non-Current Assets**

An asset is considered as impaired when at the date of Balance Sheet there are indications of impairment and the carrying amount of the asset exceeds its recoverable amount (i.e. the higher of the fair value less cost to sell and value in use). The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the Statement of Profit and Loss. The impairment loss recognized in the prior accounting period is reversed if there has been a change in the estimate of recoverable amount. Post impairment, depreciation is provided on the revised carrying value of the carrying value of the impaired asset over its remaining useful life.

**(O) Government Grants**

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is treated as deferred income and released to the statement of profit and loss over the expected useful lives of the assets concerned. When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to statement of profit and loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

**(P) Leases**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalized at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance

with the Company's general policy on the borrowing costs. Contingent rentals are recognized as expenses in the periods in which they are incurred.

Finance leases in respect of land and building against which all lease payments are made at the time of inception of lease are amortized over the useful life or lease term, whichever is higher, on written down value method as per depreciation policy of the Company.

Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

## **(Q) Financial instruments – initial recognition, subsequent measurement and impairment**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### **Financial Assets**

#### **Initial recognition and measurement**

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through statement of profit and loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

#### **Subsequent measurement**

Subsequent measurement of financial assets is described below -

#### **Debt instruments at amortized cost**

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss. This category generally applies to trade and other receivables.

#### **Debt instrument at FVTOCI**

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

#### **Debt instrument at FVTPL**

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has designated its investments in debt instruments as FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

#### Financial Assets - Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

- ☐ The rights to receive cash flows from the asset have expired, or
- ☐ The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

#### Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits and trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18.

#### Trade Receivables

A receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

In other words, trade receivables are recognized initially at fair value and subsequently measured at amortized cost less expected credit loss, if any.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

□ Financial assets measured as at amortized cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

□ Debt instruments measured at FVTPL: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. The change in fair value is taken to the statement of Profit and Loss.

□ Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

### **Financial liabilities – Recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through statement of profit and loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

The measurement of financial liabilities depends on their classification, as described below:

#### **•Financial liabilities at fair value through statement of profit and loss**

Financial liabilities at fair value through statement of profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through statement of profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

□ Gains or losses on liabilities held for trading are recognized in the statement of profit and loss. Financial liabilities designated upon initial recognition at fair value through statement of profit and loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to statement of profit and loss.

However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit and loss. The Company has not designated any financial liability as at fair value through statement of profit and loss.

#### •Loans and Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate (hereinafter referred as EIR) method. Gains and losses are recognized in statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

#### Financial liabilities - Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability.

The difference in the respective carrying amounts is recognized in the statement of profit and loss.

#### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

For more information on financial instruments Refer note no 46.

### **(R) Investment in Subsidiaries, joint ventures and associates:**

**Subsidiary:** A subsidiary is an entity controlled by the Company. Control exists when the Company has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over entity. Power is demonstrated through existing rights that give the Company the ability to direct relevant activities, those which significantly affect the entity's returns.

**Associate:** Associate entities are entities, over which an investor exercises significant influence but not control. Significant influence is defined as power to participate in the financial or operating policy decisions of the investee but not control over the policies.

The Company assumes that holding of 20% or more of the voting power of the investee (whether directly or indirectly) gives rise to significant influence, unless contrary evidences exist.

**Joint arrangement:** A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

### **(S) Foreign currency transactions**

In the Consolidated Ind AS financial statements of the Company, transactions in currencies other than the functional currency are translated into the functional currency at the exchange rates ruling at the date of the transaction.

Monetary assets and liabilities denominated in other currencies are translated into the functional currency at exchange rates prevailing on the reporting date. Non-monetary assets and liabilities denominated in other currencies and measured at historical cost or fair value are translated at the exchange rates prevailing on the dates on which such values were determined.

All exchange differences are included in the statement of profit and loss except any exchange differences on monetary items designated as an effective hedging instrument of the currency risk of designated forecasted sales or purchases, which are recognized in the other comprehensive income.

**(T) Dividend Distribution**

Dividend Distribution / Annual dividend distribution to the shareholders is recognized as a liability in the period in which the dividends are approved by the shareholders. Any interim dividend paid is recognized on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognized directly in equity.

**(U) Prior Period Items**

Errors of material amounts relating to prior period(s) are disclosed by a note with nature of prior period errors, amount of correction of each such prior period presented retrospectively in the statement of profit and loss and balance sheet, to the extent practicable along with change in basic and diluted earnings per share. However, where retrospective restatement is not practicable for a particular period then the circumstances that lead to the existence of that condition and the description of how and from where the error is corrected are disclosed in Notes on Accounts.

**(V) Use of Estimates and Judgments**

The preparation of the financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates under different assumptions and conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods affected.

**(6) EXEMPTIONS CLAIMED – FIRST TIME ADOPTION OF IND AS**

IND AS 101 “First-time adoption of Indian Accounting Standards” allows first time adopters certain exemptions from the retrospective application of certain IND AS, effective for April 1, 2016 opening balance sheet.

**(A) Following exceptions to the retrospective application of other IND AS as per Appendix B of IND AS 101 have been used:**

**Derecognition of financial assets and financial liabilities** – As permitted by Ind AS 101, the Company has applied the derecognition requirements of financial assets and liabilities in Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS.

**(B) Following exemptions have been availed from other IND AS as per Appendix D of IND AS 101:**

- (a) Deemed cost for Property, Plant and Equipment (PPE) – Since there is no change in its functional currency on the date of transition to Ind AS, the Company has elected to continue with the carrying value for all of its property, plant and equipment as recognized in the Consolidated Ind AS financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.
- (b) Investments in subsidiaries, joint ventures and associates – The Company has elected to adopt the deemed cost of investment in Subsidiaries, Joint Ventures and Associates at previous GAAP carrying values on the date of transition.
- (c) Decommissioning liabilities - The Company has availed the exemption for decommissioning and restoration liability and accordingly measured the discounted liability as at the date of transition, the liability prior to transition date is adjusted in retained earnings. The impact of such measurement is provided in summary of effect of transition.
- (d) The Company has decided to disclose prospectively from the date of transition the following as required by IND AS 19:

- The present value of the defined benefit obligation, the fair value of the plan assets and the surplus or deficit in the plan, and
- the experience adjustments arising on:
- the plan liabilities expressed as either an amount or a percentage of the plan liabilities at the end of the reporting period; and
- the plan assets expressed as either an amount or a percentage of the plan liabilities at the end of the reporting period.

## (7) NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

**Appendix B to Ind AS 21, Foreign currency transactions and advance consideration:** On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from April 1, 2018. The company will comply with the provisions of this standard with its effective date.

**Ind AS 115- Revenue from Contract with Customers:** On March 28, 2018, the Ministry of Corporate Affairs notified Ind AS 115 Revenue from Contracts with Customers. The standard replaces Ind AS 11 Construction Contracts and Ind AS 18 Revenue. The new standard applies to contracts with customers. The core principle of the new standard is that an entity should recognize revenue to depict transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further, the new standard requires enhanced disclosures about the nature, timing and uncertainty of revenues and cash flows arising from the entity's contracts with customers. The new standard offers a range of transition options. An entity can choose to apply the new standard to its historical transactions and retrospectively adjust each comparative period. Alternatively, an entity can recognize the cumulative effect of applying the new standard at the date of initial application - and make no adjustments to its comparative information. The chosen transition option can have a significant effect on revenue trends in the financial statements. A change in the timing of revenue recognition may require a corresponding change in the timing of recognition of related costs. The standard is effective for annual periods beginning on or after 1 April 2018. The Company is currently evaluating the requirements of Ind AS 115, and has not yet determined the impact on the financial statements.

## (8) CRITICAL ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

The management believes that the estimates used in preparation of the Consolidated Ind AS financial statements are prudent and reasonable. Information about estimates and judgements made in applying accounting policies that have the most significant effect on the amounts recognized in the Consolidated Ind AS financial statements are as follows:

### (a) Property, plant and equipment and useful life of property, plant and equipment and intangible assets

The carrying value of property, plant and equipment is arrived at by depreciating the assets over the useful life of assets. The estimate of useful life is reviewed at the end of each financial year and changes are accounted for prospectively.

### (b) Provisions and contingencies

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS.

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Where the effect of time value of money is material, provisions are determined by discounting the expected future cash flows.

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of



payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the Consolidated Ind AS financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Company involved, it is not expected that such contingencies will have a material effect on its financial position or profitability (Refer Note 41).

**(c) Employee benefit expenses**

Actuarial valuation for gratuity, sick leave and leave encashment liability of the Company has been done by an independent actuarial Valuer on the basis of data provided by the Company and assumptions used by the actuary. The data so provided and the assumptions used have been disclosed in the notes to accounts.

**(d) Taxes**

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Deferred tax assets on unabsorbed depreciation/business loss have been recognized to the extent of deferred tax liabilities on taxable temporary differences available. It is expected that any reversals of the deferred tax liability would be offset against the reversal of the deferred tax assets. The Company has determined that it cannot recognise deferred tax assets on the tax losses carried forward as it is not probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised. Further details on taxes are disclosed in note no 42.

**(e) Impairment of accounts receivable and advances**

Trade receivables carry interest and are stated at their fair value as reduced by appropriate allowances for expected credit losses. Individual trade receivables are written off when management deems them not to be collectible. Impairment is recognized for the expected credit losses.

**(f) Discounting of Security deposit, retention money and other long term liabilities**

For majority of the security deposits received from suppliers of goods or contractors and the retention moneys received, the timing of outflow, as mentioned in the underlying contracts, is not substantially long enough to discount. The treatment would not provide any meaningful information and would have no material impact on the Consolidated Ind AS financial statements.

**(g) Amortized Cost for Employee Loans**

Employee loans, except for computer loans, have not been recorded using Effective Interest Rate method due to absence of any material impact on Consolidated Ind AS financial statements and involvement of practical difficulties.

**(h) Investment in Equity Instruments**

Investments made in equity instruments other than subsidiaries, joint ventures and in associates, have been valued at fair value using the net asset value of the investee Companies as on the reporting date.

**(i) Restatement of Prior Period Items**

Material prior period items, i.e. items having a value of above Rs. 5.00 Lac have been restated in the previous year financials.

- (9) The Company has not been following the provisions of Accounting Standard – 15 “Employee Benefits” issued by the Institute of Chartered Accountants of India for provision for Gratuity in the accounts prepared as per previous GAAP upto period ending 31st March, 2017. However, in Ind AS financial statements, for the year ending 31st March, 2018, the Company has followed the provision of Ind AS – 19 “Employee Benefits” with retrospective application thereof and accordingly, in Consolidated Ind AS financials statements, the Company has complied with the provisions of Ind AS -19 “Employee Benefits”.

**For Mansaka Ravi & Associates**  
**Chartered Accountants**  
**FRN 015023C**  
**PRC No. 008582**

**Ravi Mansaka, FCA**  
**Partner**  
**Membership No. 410816**  
**Date: 05-09-2018**  
**Place: Jaipur**

## NOTE-1

## RESTATED CONSOLIDATED STATEMENT OF PROPERTY, PLANT &amp; EQUIPMENT

Period: 01-04-2015 to 31-03-2016

(Rs. in million)

2015-16	Gross Carrying Amount				Depreciation				Net Carrying Amount
PARTICULARS	As on 01-04-2015	Additions During the Year	Deletion / Disposal During the Year	As on 31-03-2016	Accumulated Depreciation as on 01-04-2015	Depreciation During the Year	Deduction During the Year	Accumulated Depreciation as on 31-03-2016	As on 31-03-2016
(a) Leasehold Property	14.87			14.87	0.36	0.71		1.07	13.80
(b) Freehold Property	23.07	0.00		23.07	1.94	0.99		2.94	20.14
(c) Plant and Equipment	34.73	28.98		63.71	13.78	4.87		18.65	45.06
(d) Furniture and Fixtures	3.86	0.04		3.91	2.27	0.46		2.73	1.17
(e) Vehicles	17.56	7.38		24.94	8.59	3.61		12.20	12.74
(f) Office Equipment	3.79	1.42		5.21	2.83	0.66		3.48	1.72
(g) IP	329.45	190.93		520.37	66.38	49.60		115.98	404.39
(h) Electrical Equipment's	0.34	0.00		0.34	0.21	0.04		0.25	0.09
(i) Computers & Printers	3.08	1.09		4.17	2.37	0.69		3.06	1.12
Total	430.74	229.85	0.00	660.59	98.74	61.63	0.00	160.36	500.23

Period: 01-04-2016 to 31-03-2017

(Rs. in million)

2016-17	Gross Carrying Amount				Depreciation				Net Carrying Amount
PARTICULARS	As on 01-04-2016	Additions During the Year	Deletion / Disposal During the Year	As on March 31-03-2017	Accumulated Depreciation as on 01-04-2016	Depreciation During the Year	Deduction During the Year	Accumulated Depreciation as on 31-03-2017	As on 31-03-2017
(a) Leasehold Property	14.87			14.87	1.07	0.67		1.74	13.13
(b) Freehold Property	23.07	0.00		23.07	2.94	0.95		3.88	19.19
(c) Plant and Equipment	63.71	18.91	7.50	75.12	18.65	10.04	2.30	26.38	48.74
(d) Furniture and Fixtures	3.91	4.88		8.79	2.73	0.56		3.30	5.49
(e) Vehicles	24.94	10.58	1.15	34.37	12.20	5.32	0.77	16.76	17.61
(f) Office Equipment	5.21	1.85		7.06	3.48	1.03		4.51	2.55
(g) IP	520.37	242.97		763.34	115.98	77.49		193.47	569.87
(h) Electrical Equipments	0.34	0.00		0.34	0.25	0.03		0.28	0.06
(i) Computers & Printers	4.17	0.61		4.78	3.06	0.85		3.91	0.87
Total	660.59	279.80	8.65	931.74	160.36	96.93	3.07	254.23	677.51

Period: 01-04-2017 to 31-03-2018

(Rs. in million)

2017-18	Gross Carrying Amount				Depreciation				Net Carrying Amount
PARTICULARS	As on 01-04-2017	Additions During the Year	Deletion / Disposal During the Year	As on 31-03-2018	Accumulated Depreciation as on 01-04-2017	Depreciation During the Year	Deduction During the Year	Accumulated Depreciation as on 31-03-2018	As on 31-03-2018
(a) Leasehold Property	14.87			14.87	1.74	0.64		2.38	12.49
(b) Freehold Property	23.07	7.43		30.50	3.88	1.12		5.00	25.50
(c) Plant and Equipment	75.12	2.66		77.78	26.38	8.94		35.32	42.46
(d) Furniture and Fixtures	8.79	0.75		9.53	3.30	1.46		4.76	4.78
(e) Vehicles	34.37	7.93		42.30	16.76	5.86		22.62	19.68
(f) Office Equipment	7.06	2.10		9.16	4.51	1.31		5.82	3.34
(g) IP	763.34	102.03		865.37	193.47	92.56		286.03	579.34
(h) Electrical Equipments	0.34	0.10		0.44	0.28	0.03		0.31	0.13
(i) Computers & Printers	4.78	1.95		6.73	3.91	0.73		4.64	2.09
Total	931.74	124.94	0.00	1056.69	254.23	112.64	0.00	366.87	689.81

**Notes:**

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures, IV, I, II and III.

**NOTE-2**  
**RESTATED CONSOLIDATED STATEMENT OF INTANGIBLE ASSETS**

(Rs. in million)

PARTICULARS	As At		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
<b>I. Intangible Assets</b>			
<b>(a) Computer Software's</b>			
Opening Gross Carrying Amount	1.00	1.00	0.30
Add: Additions During the Year	0.67	0.00	0.69
Closing Gross Carrying Amount	1.67	1.00	1.00
Opening Accumulated Amortization	0.60	0.27	0.07
Add: Amortization During the Year	0.24	0.33	0.20
Closing Accumulated Amortization	0.84	0.60	0.27
Opening Net Carrying Amount	0.40	0.73	0.24
<b>Closing Net Carrying Amount</b>	<b>0.83</b>	<b>0.40</b>	<b>0.73</b>
<b>(b) Licence (ISP)</b>			
Opening Gross Carrying Amount	0.00	0.00	0.00
Add: Additions During the Year	3.05	0.00	0.00
Closing Gross Carrying Amount	3.05	0.00	0.00
Opening Accumulated Amortization	0.00	0.00	0.00
Add: Amortization During the Year	0.06	0.00	0.00
Closing Accumulated Amortization	0.06	0.00	0.00
Opening Net Carrying Amount	0.00	0.00	0.00
<b>Closing Net Carrying Amount</b>	<b>2.99</b>	<b>0.00</b>	<b>0.00</b>
(c) Copyrights, Patents, other intellectual property rights, services and operating rights			
(d) Others			
<b>Total Closing Net Carrying Value</b>	<b>3.82</b>	<b>0.40</b>	<b>0.73</b>

**Notes:**

- The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE – 3**  
**RESTATED CONSOLIDATED STATEMENT OF NON-CURRENT TRADE RECEIVABLES**

(Rs. in million)

PARTICULARS	As At		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
<b>Unsecured, considered Good</b>			
Due from Related Parties	0.00	0.00	0.00
Others	59.95	93.81	69.02
<b>Unsecured, considered Doubtful</b>			
Due from Others	0.15	0.15	0.00
Less: Provision for Expected Credit Loss	-0.15	-0.15	0.00
<b>Total</b>	<b>59.95</b>	<b>93.81</b>	<b>69.02</b>

**Note-:**

- Carrying value of trade receivables may be affected by the changes in the credit risk of counterparties as explained in Note No. 43.
- For lien/charge against trade receivables refer Note No. 16(A).

3. No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person. However, certain trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member. For details of such trade receivables refer Note No. 42.

4. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

5. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE-4****RESTATED CONSOLIDATED STATEMENT OF NON-CURRENT FINANCIAL ASSETS - INVESTMENTS****(Rs. in million)**

PARTICULARS	As At		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
<b>Investment in Equity Instruments</b>			
<b>Quoted Investments</b>			
Shares with Corporation Bank	0.01	0.01	0.01
<b>Unquoted Investments</b>			
<b>(a) Associate Companies</b>			
(i) 50,000 Equity Shares of Vaviya Developers Pvt Ltd of Rs. 10 each fully paid-up. (Previous Year 50,000 Equity Shares of Rs. 10/- each)	0.00	0.00	0.00
(ii) 1,82,000 Equity Shares of Delix Solution Private Limited of Rs. 10/- each fully paid-up. (Previous Year : NIL)	1.21	0.00	0.00
<b>(b) Other Non-Current Investments</b>			
Capital Investment in Kon Reality - A Partnership Firm	0.07	0.00	0.00
<b>Total</b>	<b>1.29</b>	<b>0.01</b>	<b>0.01</b>
Aggregate amount of quoted investments and market value thereof	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
Aggregate amount of unquoted investments; and	<b>1.29</b>	<b>0.01</b>	<b>0.01</b>
Aggregate provision made for diminution in value of investments	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

**Note:-**

1. Details of investment in shares of Corporation Bank Limited are not available with the company being a very old investment. Further, looking to the nominal value of investment, amortized value is considered as fair value.

2. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

3. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE - 5****RESTATED CONSOLIDATED STATEMENT OF OTHER FINANCIAL ASSETS - NON CURRENT****(Rs. in million)**

PARTICULARS	As At		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Security Deposits	77.95	51.58	12.83
Earnest Money Deposits	3.39	3.39	1.89
Retention Money	118.87	75.41	69.88
Bank deposits having maturity more than 12 Months	93.20	33.21	30.97
<b>Total</b>	<b>293.41</b>	<b>163.59</b>	<b>115.57</b>

**Note:-**

1. Company has given certain security deposits against tenders, contract and otherwise. As the holding period of such deposits are not readily defined, the value of such deposits are taken at amortized cost. It is not possible to determine present value of such deposits in the absence of defined period.

2. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

3. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE – 6**  
**RESTATED CONSOLIDATED STATEMENT OF OTHER NON CURRENT ASSETS**

(Rs. in million)

PARTICULARS	As At		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
<b>Secured, considered good;</b>			
<b>Capital Advances</b>			
Advance to KON Reality (Durgadi)	30.00	25.50	15.50
N D Corporation (Plot Advance Vasai Virar)	3.32	3.10	3.10
Advance for Building Project	12.09	11.39	11.39
Advance for Shop (Turbhe Industrial)	0.00	6.95	6.33
Gayatri Enterprises (Bhiwandi Property)	2.25	2.25	2.25
Advance for Flat with Vaviya Developers Pvt Ltd	0.00	10.03	10.03
Adv - 3g Telecom Infra India Pvt Ltd	0.00	0.00	67.18
<b>Others</b>	0.00	0.70	0.70
<b>Total</b>	<b>47.66</b>	<b>59.91</b>	<b>116.46</b>

**Note:-**

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE – 7**  
**RESTATED CONSOLIDATED STATEMENT OF INVENTORIES**

(Rs. in million)

PARTICULARS	As At		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Closing Stock - Work-In-Progress	3.30	0.00	0.00
Closing Stock - Raw Material	171.68	0.00	0.00
<b>Total</b>	<b>174.98</b>	<b>0.00</b>	<b>0.00</b>

**Note:-**

1. Work-in-Progress pertain to contract work for which revenue has not been recognised till the date of reporting in terms of Ind AS. Value of Work-in-Progress is arrived on the basis of total cost incurred till the date of reporting.
2. Inventory of material includes fibre and duct as a major component of total inventory. These materials are valued at lower of cost or net releasable value.
3. Entire inventory has been hypothecated as security against certain bank borrowings of the Company as at 31 March, 2018, 31 March, 2017 & 1 April, 2016. For more details of lien/charge against inventories refer Note No. 16(A).
4. Inventory is valued and certified by the management only.
5. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
6. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE – 8**  
**RESTATED CONSOLIDATED STATEMENT OF CURRENT TRADE RECEIVABLES**

(Rs. in million)

PARTICULARS	As At		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
<b>Unsecured, considered Good</b>			
Due from Related Parties	0.00	0.00	0.00
Others	821.03	475.75	238.18
<b>Unsecured, considered Doubtful</b>			
Due from Others			
Less: Provision for Expected Credit Loss	0.00	0.00	0.00
<b>Total</b>	<b>821.03</b>	<b>475.75</b>	<b>238.18</b>

**Note:-**



1. Carrying value of trade receivables may be affected by the changes in the credit risk of counterparties as explained in Note No. 43.
2. For lien/charge against trade receivables refer Note No. 16(A).
3. No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person. However, certain trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member. For details of such trade receivables refer Note No. 39.
4. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
5. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE – 9**  
**RESTATED CONSOLIDATED STATEMENT OF CASH & CASH EQUIVALENTS**

(Rs. in million)

PARTICULARS	As At		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
<b>(a) Balances with Banks</b>			
In Current and OD Accounts	3.13	134.34	5.32
In Deposit Accounts			
<b>(b) Cheques, drafts on hand</b>			
<b>(c) Cash on Hand</b>	2.74	1.85	0.09
<b>Total</b>	<b>5.87</b>	<b>136.19</b>	<b>5.41</b>

**Note:-**

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE – 10**
**RESTATED CONSOLIDATED STATEMENT OF BANK BALANCES OTHER THAN CASH & CASH EQUIVALENTS**  
**(Rs. in million)**

PARTICULARS	As At		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Bank deposits with original maturity more than 3 months but less than 12 months	1.31	12.01	3.96
<b>Total</b>	<b>1.31</b>	<b>12.01</b>	<b>3.96</b>

**Note:-**

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE – 11**
**RESTATED CONSOLIDATED STATEMENT OF CURRENT FINANCIAL ASSETS - LOANS**  
**(Rs. in million)**

PARTICULARS	As At		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Loans and Advances to related parties			
Loans and Advances to Employees	0.17	0.43	0.13
<b>Total</b>	<b>0.17</b>	<b>0.43</b>	<b>0.13</b>

**Note:-**

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE – 12**
**RESTATED CONSOLIDATED STATEMENT OF OTHER CURRENT FINANCIAL ASSETS**  
**(Rs. in million)**

PARTICULARS	As At		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Unbilled Revenue <sup>1</sup>	1503.55	281.94	243.43
<b>Total</b>	<b>1503.55</b>	<b>281.94</b>	<b>243.43</b>

**Note:-**

1. At the balance sheet date, the cumulative costs incurred plus recognised profit (less recognised loss) on each contract (as per percentage completion method) is compared against the progress billings. Where the cumulative costs incurred plus the recognised profits (less recognised losses) exceed progress billings, the balance is presented as “unbilled revenue” i.e. due from customers on construction contracts but not billed upto the balance sheet date as per terms of contract.
2. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
3. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE – 13**
**RESTATED CONSOLIDATED STATEMENT OTHER CURRENT ASSETS**  
**(Rs. in million)**

PARTICULARS	As At		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
<b>Unsecured and Considered Good:</b>			
Advance for Site Expenses	0.00	0.48	0.06
Advance to Creditors	13.91	3.52	3.11

Prepaid Expenses	5.72	4.78	5.04
Balances with Govt Authorities	88.74	30.73	26.80
Provisional Credit of ST Liability under RCM	0.00	0.00	0.18
TDS Recoverable from NBFC	1.04	0.91	0.49
Deferred Expenditures	2.47	2.21	3.77
Advances against Services (BSE/NSE)	1.44	0.00	0.00
Other Current Assets	0.85	0.60	0.00
<b>Total</b>	<b>114.17</b>	<b>43.23</b>	<b>39.46</b>

**Note:-**

- The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE – 14**
**RESTATED CONSOLIDATED SUMMARY STATEMENT OF SHARE CAPITAL**
**a. Equity Share Capital**

(Rs. in million)

Particulars	As At		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
<b>(a) Number and Amount of Authorised Share Capital</b>			
Number of Equity Share of Rs. 10 each	40.00	2.00	2.00
<b>Total Authorised Equity Capital</b>	<b>400.00</b>	<b>20.00</b>	<b>20.00</b>
Number of Preference Share of Rs. 10 each			
<b>Total Authorised Preference Capital</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Authorised Share Capital</b>	<b>400.00</b>	<b>20.00</b>	<b>20.00</b>
<b>(b) Issued, Subscribed &amp; Paid-up Capital</b>			
Equity Share Capital	295.00	2.50	2.50
Preference Share Capital	0.00	0.00	0.00
<b>Total</b>	<b>295.00</b>	<b>2.50</b>	<b>2.50</b>
<b>(c) Reconciliation of Number of Shares outstanding at the beginning and at the end of the reporting period</b>			
Opening number of equity shares outstanding	0.25	0.25	0.25
Add: Equity Shares issued during the year	0.00	0.00	0.00
Add: Bonus Shares issued during the year	29.25	0.00	0.00
<b>Closing Number of Equity Shares Outstanding</b>	<b>29.50</b>	<b>0.25</b>	<b>0.25</b>

**(d) The rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital**

- The Company has one class of Equity shares having a par value of Rs. 10 per share. Each Shareholder is eligible for one vote per share held.
- All Equity Shareholders are eligible to receive dividends in proportion to their shareholdings.
- The dividends proposed by the Board of Directors are subject to the approval of the Shareholders in the ensuing Annual General Meeting.
- In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding.

**(e) Shareholders holding more than 5% of shares of the Company**

(Rs. in million)

Name of Shareholder	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Dinesh KK	16.23	0.14	0.14
Shashikala Dinesh	13.28	0.11	0.11

- As the company is not a subsidiary of any Company, its shares are not held by any holding or ultimate holding company.
- There are no shares reserved for issue under options and contracts or commitments for the sale of shares or disinvestment.
- There are no shares which were allotted (i) pursuant to contracts without payment being received in cash.
- Details of shares allotted as fully paid up by way of bonus shares are as under during the period from 1 April, 2017 to 31 March, 2018.

No. of Equity Share of Rs. 10 each issued as bonus shares - 29,25,000

Total Face Value of Bonus shares issued during the year - 2,92,50,000

(j) There are no securities which are convertible into equity/preference shares.

(k) There are no calls which are unpaid.

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE-15**  
**RESTATED CONSOLIDATED SUMMARY STATEMENT OF OTHER EQUITY**

(Rs. in million)

Particulars	As At		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
<b>(a) Securities Premium Reserve</b>			
Balances at the beginning of the reporting period	0.00	0.00	0.00
Changes in accounting policy or prior period errors			
Restated balance at the beginning of the reporting period	0.00	0.00	0.00
Securities Premium received during the year			
Any other Change (to be specified)	0.00	0.00	0.00
<b>Balance at the end of the reporting period</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>(b) Retained Earnings</b>			
<b>Balances at the beginning of the reporting period</b>	<b>459.44</b>	<b>287.55</b>	<b>194.76</b>
Changes in accounting policy or prior period errors			
Restated balance at the beginning of the reporting period	459.44	287.55	194.76
Add: Profit/(Loss) during the year as per profit and loss account	617.32	220.04	128.89
Less: Dividends Distributed During the Year	0.00	40.00	30.00
Less: Dividend Distribution Tax	0.00	8.14	6.11
Less: Capitalisation of Profits by issue of Bonus Shares	292.50		
<b>Balance at the end of the reporting period</b>	<b>784.27</b>	<b>459.44</b>	<b>287.55</b>
<b>(c) Other Comprehensive Income</b>			
<b>Balances at the beginning of the reporting period</b>	<b>-0.44</b>	<b>-0.22</b>	<b>-0.32</b>
Add: Other Comprehensive Income for the Year	1.02	-0.22	0.09
<b>Balance at the end of the reporting period</b>	<b>0.58</b>	<b>-0.44</b>	<b>-0.22</b>
<b>TOTAL OF RESERVES &amp; SURPLUSES</b>	<b>784.85</b>	<b>459.00</b>	<b>287.32</b>

**Note: -**

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. Company is does not having any Revaluation Reserve.

3. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE - 16**  
**RESTATED CONSOLIDATED STATEMENT OF NON-CURRENT BORROWINGS**

(Rs. in million)

Particulars	As At		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
<b>Secured Loans</b>			
(a) Bonds or debentures;			
(b) Term Loans			
(i) from Banks;	25.94	45.63	0.40
(ii) from other parties (NBFC's)	0.00	0.00	0.00
(c) Deferred payment liabilities			
(d) Deposits;			
(e) Loans and advances from Related Parties;			
(f) Long term maturities of finance lease obligations			
(g) Other Loans and advances			
<b>Unsecured Loans</b>			

(a) Term Loans			
(i) from Banks;	0.00	0.00	3.48
(ii) from other parties (NBFC's)	0.00	0.00	18.82
(b) Loans and advances from Related Parties;	68.31	50.76	13.51
<b>Total</b>	<b>94.25</b>	<b>96.39</b>	<b>36.21</b>

**Notes:**

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary, statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.
3. List of persons/entities classified as 'Related Parties' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.
4. The terms and conditions and other information in respect of Secured Loans as on 31.03.2018 are given in Annexure -16(A) & in respect of unsecured loans are given in Annexure- 16(B).





					5. Plot No. G-701, Neel Sidhi Jewels, Jay Balaji CHS Ltd, Plot No. 26A, Nerul, Navi Mumbai				
					6. Residential Building situated at Plot No. G 702, Neel Sidhi Jewels, Jay Balaji CHS Ltd, Plot No. 26A, Nerul, Navi Mumbai				
					7. Shop No. M-8 and O-2, 2nd Floor, Neighbourhood Shopping Center, Plot NO. 10 and 11, Sector 4, Nerul, Navi Mumbai				
					8. Office No. B, 3rd Floor, "Shrirang House" Building, CTS No. 364 + 365/1 & 364 + 365/16, Jangli Maharaj Road, Shivaji Nagar, Pune -411005				
					9. Unit No. 1201, 12th Floor, Business Bay, Kamdhenu Realities, Plot No. 51, Sector-1, Nerul, Navi Mumbai-400706				
					10. Unit No. 1202, 12th Floor, Business Bay, Kamdhenu Realities, Plot No. 51, Sector-1, Nerul, Navi Mumbai-400706				
					11. Plot No. 222/37. Shrivane, Nerul, Navi Mumbai				
					12. Flat No. 301 & 302, House No. 0493/ Sector				



						20, Om Sai Apartment, Belapur, 400614				
Yes Bank Ltd	Vehicle Loan	ALN00010030575 5	0.60	9.50%	Vehicle	Vehicle	Monthl y		0.60	
Yes Bank Ltd	Vehicle Loan	ALN00010030576 8	0.60	9.50%	Vehicle	Vehicle	Monthl y		0.60	
Yes Bank Ltd	Vehicle Loan	ALN00010030576 9	0.60	9.50%	Vehicle	Vehicle	Monthl y		0.60	
Yes Bank Ltd	Working Capital Demand Loan	187LA041808600 01	50.00	0.95% over and above 3 Month YBL MCLR	first pari pasu charge on current assets of the Company with Kotak Bank and Proposed bank (HDFC) to enter into multiple banking arrangement. Further, secured by personal guarantee of Mr. Dinesh Karagal, Mrs. Shashikala Karagal and Mr. Darshan Karagal.			On Demand	45.00	
Yes Bank Ltd	Bill Discounti ng Facility	001BM261808700 08	100.00						55.00	
									<b>214.43</b>	<b>65.72</b>

**Notes:**

1. The above loans are further guaranteed by the director/partners and owner of property.
2. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
3. The above statement should be read with the significant accounting policies and notes to restated summary, statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE 16(B)****RESTATED CONSOLIDATED STATEMENT OF TERMS & CONDITIONS OF UNSECURED LOANS**

A) Details of Unsecured Loans outstanding as at the end of the latest Reporting period from Directors / Promoters / Group Companies and others U

Unsecured Loans from Directors / Promoters / Group Companies and other Companies are repayable on demand and as per rate of interest as mentioned below: -

(Rs. in million)

Name of Lender	Purpose	Rate of interest	Re-Payment Terms	As on 31-03-2018	As on 31-03-2017	As on 31-03-2016
<b>(A) From Related parties</b>						
Dinesh KK	Business	0%	On Demand	41.10	28.80	2.42
Shashikala	Business	0%	On Demand	27.21	21.96	11.09
<b>Total (A)</b>				<b>68.31</b>	<b>50.76</b>	<b>13.51</b>
<b>(B) Loan From Others</b>						
Capital First Ltd	Business	17.25%	Monthly		3.76	7.24
Deutsche Bank	Business	13.65%	Monthly		0.97	2.73
Edelweiss Retail Finance Ltd	Business	17.25%	Monthly		2.00	3.86
Fullerton India Ltd	Business	17.25%	Monthly		2.50	4.82



*Dinesh Engineers Limited*

IndusInd Bank Ltd	Business	18%	Monthly		2.51	4.82
Kotak Mahindra Bank	Business	18.04%	Monthly		3.42	6.90
Magma Fincorp Ltd	Business	18%	Monthly		2.02	3.88
Religare Finvest Ltd	Business	18%	Monthly		1.68	3.22
Shriram City Union Finance Ltd	Business	8.50%	Monthly		0.83	2.82
Tata Capital Financial Services Ltd	Business	17.57%	Monthly		2.01	3.86
ICICI	Business	16.49%	Monthly			0.98
Ratnakar Bank Ltd	Business	18%	Monthly			1.15
Standard Chartered Bank	Business		Monthly			2.05
Magma Fincorp Ltd	Business	18%	Monthly		0.60	1.48
Religare Finvest Ltd	Business		Monthly			0.22
Corp/ Kotak Mahindra Bank	Business		Monthly			29.96
<b>Total (B)</b>				<b>0.00</b>	<b>22.30</b>	<b>80.02</b>
<b>Grand Total (A+B)</b>				<b>68.31</b>	<b>73.06</b>	<b>93.53</b>

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**Notes:**

- 1.The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary, statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE-17**  
**RESTATED CONSOLIDATED STATEMENT OF NON-CURRENT PROVISIONS**

(Rs. in million)

PARTICULARS	As At		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
<b>Provisions for Employee Benefits</b>			
Provision for Defined Benefits	1.44	2.78	1.83
Provision for Leave Encashment	1.38	0.88	0.50
<b>Total</b>	<b>2.83</b>	<b>3.66</b>	<b>2.33</b>

**Notes**

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures, IV, I, II and III.

**NOTE – 18**  
**RESTATED CONSOLIDATED STATEMENT OF DEFERRED TAX (ASSETS)/LIABILITIES**

(Rs. in million)

Particulars	For the Year Ended		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
<b>Opening Balance (A)</b>			
Opening Balance of Deferred Tax (Asset) / Liability	6.04	5.17	3.12
<b>Current Year Provision (B)</b>			
(DTA) / DTL on Depreciation	4.51	0.64	2.40
(DTA) / DTL on Provision for Gratuity/Leave Encashment/Disallowances	0.10	-0.23	0.35
<b>Closing Balance of Deferred Tax (Asset) / Liability (A+B)</b>	<b>10.44</b>	<b>6.04</b>	<b>5.17</b>

**Notes:**

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the significant accounting policies and notes to restated summary statement of profit and loss account and cash flows statement as appearing in Annexures V, IV, I, I and III.

**NOTE – 19**  
**RESTATED CONSOLIDATED STATEMENT OF OTHER NON-CURRENT LIABILITIES**

(Rs. in million)

PARTICULARS	As At		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Lease Revenue Received In Advance (Deferred Income) <sup>1</sup>	1047.20	787.29	464.80
Retention Money from Sub-Contractor	0.00	0.60	0.00
<b>Total</b>	<b>1047.20</b>	<b>787.89</b>	<b>464.80</b>

**Notes:**

1. Company is granting right to use the fibre capacity owned by it on the concept of IRU (Indefeasible Right to Use) which qualifies as “operating lease” in terms of Indian Accounting Standard – 17 “Leases”. Company enters into various irrevocable contracts with different telecom operators and internet service providers for long term. As per terms of contract, the purchaser (lessee) has to pay maintenance cost in advance for the entire period of validity of the agreement. Thereby, the non-current/current portion of such advance lease money which is not recognised as revenue in the profit and loss account is shown as liability for the Company.

2. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

3. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE-20**  
**RESTATED CONSOLIDATED STATEMENT OF CURRENT BORROWINGS**

(Rs. in million)

Particulars	As At		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
<b>Secured</b>			
(a) Loans Repayable on Demand			
(i) from Banks;	166.99	0.00	78.38
(ii) from other parties	0.00	0.00	0.00
(b) Loans and advances from Related Parties;	0.00	0.00	0.00
(c) Deposits	0.00	0.00	0.00
(d) Others Loans and advances	0.00	0.00	0.00
<b>Unsecured</b>			
(a) Loans Repayable on Demand			
(i) from Banks;	0.00	0.00	0.00
(ii) from other parties	0.00	0.00	0.00
(b) Loans and advances from Related Parties;	0.00	0.00	0.00
(c) Deposits	0.00	0.00	0.00
(d) Others Loans and advances	0.00	0.00	0.00
<b>Total</b>	<b>166.99</b>	<b>0.00</b>	<b>78.38</b>

**Notes:**

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the significant accounting policies and notes to restated summary, statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

3. List of persons/entities classified as 'Promoters' and 'Promoter Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

4. The terms and conditions and other information in respect of Secured Loans as on 31.03.2018 are given in Note 16(A) & 16(B).

**NOTE-21**  
**RESTATED CONSOLIDATED STATEMENT OF CURRENT TRADE PAYABLES**

(Rs. in million)

PARTICULARS	As At		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
(a) total outstanding dues of micro enterprises and small enterprises; <sup>1</sup> and			
(b) total outstanding dues of creditors other than micro enterprises and small enterprises.			
Trade Payable for Sub-Contracts	473.21	295.23	186.74
Dues to Related Parties	1.38		
Other Trade Payables	394.86	37.92	67.32
Provision of Expenses against unilled revenue	497.84	103.81	122.27
<b>Total</b>	<b>1367.29</b>	<b>436.97</b>	<b>376.33</b>

**Notes:**

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

3. Amount due to entities covered under Micro, Small and Medium Enterprises as defined in the Micro, Small, Medium Enterprises Development Act, 2006, have been identified on the basis of information available with the Company. There was no amount due to any such entities which needs to be disclosed separately.

**NOTE- 22****RESTATED CONSOLIDATED STATEMENT OF OTHER CURRENT FINANCIAL LIABILITIES****(Rs. in million)**

PARTICULARS	As At		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Current Maturity of Long Term Borrowings	21.49	42.39	60.54
Sundry creditors for Capital Assets	2.82	1.68	0.18
Rent Payables	0.49	0.39	1.17
Transport and Hiring Charges Payable	0.14	0.13	0.96
Professional Charges Payable	3.24	0.42	0.28
Other Expenses Payable	2.25	1.94	0.26
Dividend Distribution Tax Payable	0.00	0.00	6.11
Directors' Remuneration Payable	1.20	0.63	1.03
Salary and Wages Payables	7.32	4.95	3.33
Credit Card Dues Payables	0.01	0.09	0.00
Audit fees Payable	1.36	0.74	0.53
Telephone Charges Payable	0.00	0.00	0.05
Electricity Charges Payable	0.00	0.00	0.00
Sitting Fees Payables to Directors	0.26	0.00	0.00
Payable against Tax Payments - AVM Associates	0.03	0.00	0.00
Interest accrued but not due on borrowings	0.04	0.32	0.62
<b>Total</b>	<b>40.65</b>	<b>53.68</b>	<b>75.05</b>

**Notes:**

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE- 23****RESTATED CONSOLIDATED STATEMENT OF OTHER CURRENT LIABILITIES****(Rs. in million)**

PARTICULARS	As At		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Current maturities of Leased Revenue Received in Advance (Deferred Income)	109.70	86.34	54.07
Advances from Customers	37.65	0.17	6.83
Statutory Liabilities	15.29	41.58	5.58
Provision for VAT Payable under Composition Scheme	0.00	0.00	0.49
Provision for Service tax Liability	0.00	0.00	1.09
Provision for TDS Defaults as per 26AS	0.19	0.19	0.14
Provision for TDS Expenses Payable	0.00	0.00	0.76
Advance for Site Expenses	0.31	0.00	0.00
<b>Total</b>	<b>163.13</b>	<b>128.28</b>	<b>68.95</b>

**Notes:**

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE- 24**  
**RESTATED CONSOLIDATED STATEMENT OF CURRENT PROVISIONS**

(Rs. in million)

PARTICULARS	As At		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
<b>Provision for Employee Benefits</b>			
Provision for Defined Benefits	0.50	0.15	0.11
Provision for Leave Encashment	0.85	0.07	0.04
<b>Total</b>	<b>1.35</b>	<b>0.22</b>	<b>0.15</b>

**Notes:**

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE- 25**  
**RESTATED CONSOLIDATED STATEMENT OF CURRENT TAX LIABILITIES**

(Rs. in million)

PARTICULARS	As At		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Provision for Taxation (Net of Advance Tax & TDS)	203.31	5.80	0.00
<b>Total</b>	<b>203.31</b>	<b>5.80</b>	<b>0.00</b>

**Notes:**

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE – 26**  
**RESTATED CONSOLIDATED STATEMENT OF REVENUE FROM OPERATIONS**

(Rs. in million)

Particulars	For the year ended		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
<b>Revenue from Contracts</b>	1525.32	1475.23	873.62
Add: Closing Unbilled Revenue	1503.55	281.94	243.43
Less: Opening Unbilled Revenue	-281.94	-243.43	0.00
<b>Sub-Total</b>	<b>2746.92</b>	<b>1513.74</b>	<b>1117.05</b>
<b>Revenue from Leasing Fibre Capacity</b>			
Billing During the Year	558.08	533.33	262.84
Add: Opening Pre-received Income	873.63	518.87	361.51
Less: Closing Pre-received Income	1156.90	873.63	518.87
<b>Sub-Total</b>	<b>274.80</b>	<b>178.58</b>	<b>105.48</b>
<b>Total</b>	<b>3021.73</b>	<b>1692.32</b>	<b>1222.53</b>

**Note:**

1. The figures disclosed above are based on the restated summary statement of profit and loss of the Company.

2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE – 27**  
**RESTATED CONSOLIDATED STATEMENT OF OTHER INCOMES**

(Rs. in million)

Particulars	For the year ended		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Interest on Fixed Deposits	4.85	5.82	2.49

Interest on IT Refunds	0.99	0.26	0.00
Interest on Deposits with Parties	0.00	0.72	0.00
Discounts and Other Incomes	0.01	0.00	0.00
Rent	0.20	0.00	0.00
<b>Total</b>	<b>6.05</b>	<b>6.80</b>	<b>2.49</b>

**Notes:**

1. The classification of other income as recurring/not-recurring, related/not-related to business activity is based on the current operations and business activity of the Company as determined by the management.
2. The figures disclosed above are based on the restated summary statement of profit and loss of the Company.
3. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE – 28**  
**RESTATED CONSOLIDATED STATEMENT OF OPERATIONAL EXPENSES**

(Rs. in million)

Particulars	For the year ended on		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Labour and Sub-contract Charges	448.46	850.18	571.85
Sub-Contract Charges - Billed	647.53	81.08	13.83
Sub-Contract Charges for Unbilled Revenue	444.98	105.09	163.89
<b>Total</b>	<b>1540.96</b>	<b>1036.35</b>	<b>749.57</b>

**Notes:**

1. The figures disclosed above are based on the restated summary statement of profit and loss of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE – 29**  
**RESTATED CONSOLIDATED STATEMENT OF PURCHASE OF MATERIALS**

(Rs. in million)

Particulars	For the year ended		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Purchase of Raw Materials	388.27	73.33	93.53
<b>Total</b>	<b>388.27</b>	<b>73.33</b>	<b>93.53</b>

**Notes:**

1. The figures disclosed above are based on the restated summary statement of profit and loss of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE – 30**  
**RESTATED STATEMENT OF CHANGE IN INVENTORIES OF FINISHED GOODS, WIP AND MATERIALS**

(Rs. in million)

Particulars	For the year ended		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Inventory at the end of the Year	174.98	0.00	0.00
Inventory at the beginning of the Year	0.00	0.00	26.85
<b>Increase/decrease in inventory</b>	<b>-174.98</b>	<b>0.00</b>	<b>26.85</b>

**Notes:**

1. The figures disclosed above are based on the restated summary statement of profit and loss of the Company.



2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE – 31**  
**RESTATED STATEMENT OF EMPLOYEE BENEFIT EXPENSES**

(Rs. in million)

Particulars	For the year ended		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Salaries and Wages and other allowances	60.05	53.63	29.39
Directors' Remuneration	22.10	12.71	7.35
ESIC	0.24	0.06	0.05
Food Allowance	0.35	0.18	0.04
Provision for Gratuity	0.63	0.78	0.53
Provision for Leave Encashment	1.23	0.29	0.37
Provident Fund Contributions	1.06	0.76	0.26
Maharashtra Labour Fund	0.01	0.01	0.00
House Rent allowance	0.00	0.00	0.00
Staff Welfare Expenses	0.74	0.44	0.09
<b>Total</b>	<b>86.40</b>	<b>68.87</b>	<b>38.08</b>

**Notes:**

1. The figures disclosed above are based on the restated summary statement of profit and loss of the Company.

2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE – 32**  
**RESTATED STATEMENT OF FINANCE COSTS**

(Rs. in million)

Particulars	For the year ended		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Interest on loan	7.86	18.48	10.41
Bank Interest	2.58	1.69	5.28
Other Borrowing Cost (upfront fees, renewal fees, DD charges, BG Commission, etc)	9.42	7.63	4.96
<b>Total</b>	<b>19.87</b>	<b>27.81</b>	<b>20.65</b>

**Notes:**

1. The figures disclosed above are based on the restated summary statement of profit and loss of the Company.

2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE – 33**  
**RESTATED CONSOLIDATED STATEMENT OF DEPRECIATION AND AMORTIZATION EXPENSES**

(Rs. in million)

Particulars	For the year ended		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Depreciation on Tangible Assets (Refer Note-1)	112.64	96.93	61.63
Amortization on Intangible Assets (Refer Note-2)	0.30	0.33	0.20
<b>Total</b>	<b>112.94</b>	<b>97.26</b>	<b>61.82</b>

**Notes:**

1. The figures disclosed above are based on the restated summary statement of profit and loss of the Company.

2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE – 34**  
**RESTATED CONSOLIDATED STATEMENT OF OTHER EXPENSES**

(Rs. in million)

Particulars	For the year ended		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Audit Fees	2.04	0.70	0.58
Business Promotion Expenses	7.20	1.17	1.04
Commission	2.50	1.30	0.00
Donation	0.00	0.19	0.00
Electricity Charges	0.90	0.79	0.73
House Keeping Charges	0.00	0.00	0.01
Hiring Expenses	2.79	0.73	0.00
Insurance	1.94	3.56	2.19
Office Expenses	1.54	1.65	2.13
Postage and Courier Charges	0.10	0.10	0.00
Interest on TDS and Service Tax	0.39	0.34	0.17
ROC charges and interest thereon	3.98	0.12	0.00
Printing and Stationery	0.47	0.28	0.29
Professional Charges	12.05	11.29	2.32
Rates and Taxes (Tax and other Govt payments)	38.15	12.67	11.51
Rent Charges	7.80	6.45	4.98
Repairs and Maintenance	4.99	6.54	2.31
Security Charges	0.34	0.34	0.33
Society Charges	0.22	0.20	0.18
Telephone and Internet Expenses	0.90	0.72	0.75
Travelling and Conveyance	10.23	7.76	3.25
Water Charges	0.05	0.02	0.02
Service Tax Liability Payable	0.00	0.00	0.00
Provision for TDS Defaults	0.00	0.05	0.00
TDS Expenses	0.00	0.00	0.00
Miscellaneous Deductions	2.47	0.00	4.25
Provision for Expected Credit Loss	0.00	0.15	0.00
IP Licence Fee	0.01	0.00	0.00
Preliminary Exp W/o	0.40	0.00	0.00
<b>Total</b>	<b>101.43</b>	<b>57.10</b>	<b>37.04</b>

**Notes:**

1. The figures disclosed above are based on the restated summary statement of profit and loss of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE – 35**  
**RESTATED STATEMENT OF EXCEPTIONAL ITEMS**

(Rs. in million)

Particulars	For the year ended		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Bad Debts W/Off	5.33	1.25	0.35
Excess Refund of Income-tax of Previous Years	-4.21	0.00	0.00
(Profit)/Loss on sale of fixed assets	0.00	-0.83	0.00
<b>Total</b>	<b>1.12</b>	<b>0.42</b>	<b>0.35</b>

**Notes:**

1. The figures disclosed above are based on the restated summary statement of profit and loss of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE-36& 37**  
**RESTATED CONSOLIDATED STATEMENT OF CURRENT TAX & DEFERRED TAX (ASSETS) /**  
**LIABILITIES**

(Rs. in million)

**Tax Expense Recognised in the Statement of Profit or Loss**

Particulars	For the Year Ended		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
<b>Income-Tax Expenses</b>			
Current Tax	330.23	116.63	66.22
Tax for Earlier Year / Interest on Tax	0.06	0.32	0.00
Deferred Tax	3.86	0.98	2.02
<b>Total Tax Expenses</b>	<b>334.16</b>	<b>117.93</b>	<b>68.24</b>

**Movement in Deferred Tax Balances**

(Rs. in million)

Particulars	For the Year Ended March 31, 2018			
	Opening Balance	Recognised in Statement of Profit or Loss	Recognised in Other Comprehensive Income	Closing Balance
<b>Tax effect of items constituting deferred tax liabilities</b>				
Property, Plant & Equipments	7.38	4.51	0.00	11.89
<b>Sub-Total</b>	<b>7.38</b>	<b>4.51</b>	<b>0.00</b>	<b>11.89</b>
<b>Tax effect of items constituting deferred tax assets</b>				
Employee Benefit Provisions	1.34	0.64	-0.54	1.45
Temporary Disallowances under Income-tax Law	0.00		0.00	0.00
	<b>1.34</b>	<b>0.64</b>	<b>-0.54</b>	<b>1.45</b>
<b>Net Deferred Tax Liabilities/( Assets)</b>	<b>6.04</b>	<b>3.86</b>	<b>0.54</b>	<b>10.44</b>

(Rs. in million)

Particulars	For the Year Ended March 31, 2017			
	Opening Balance	Recognised in Statement of Profit or Loss	Recognised in Other Comprehensive Income	Closing Balance
<b>Tax effect of items constituting deferred tax liabilities</b>				
Property, Plant & Equipments	6.74	0.64	0.00	7.38
<b>Sub-Total</b>	<b>6.74</b>	<b>0.64</b>	<b>0.00</b>	<b>7.38</b>
<b>Tax effect of items constituting deferred tax assets</b>				
Employee Benefit Provisions	0.86	0.37	0.11	1.34
Temporary Disallowances under Income-tax Law	0.71		-0.71	0.00
	<b>1.57</b>	<b>0.37</b>	<b>-0.60</b>	<b>1.34</b>
<b>Net Deferred Tax Liabilities/( Assets)</b>	<b>5.17</b>	<b>0.27</b>	<b>0.60</b>	<b>6.04</b>

(Rs. in million)

Particulars	For the Year Ended March 31, 2016			
	Opening Balance	Recognised in Statement of Profit or Loss	Recognised in Other Comprehensive Income	Closing Balance
<b>Tax effect of items constituting deferred tax liabilities</b>				
Property, Plant & Equipments (Including effect of change in tax rate)	4.34	2.40	0.00	6.74
<b>Sub-Total</b>	<b>4.34</b>	<b>2.40</b>	<b>0.00</b>	<b>6.74</b>
<b>Tax effect of items constituting deferred tax assets</b>				

Employee Benefit Provisions	0.55	0.34	-0.03	0.86
Temporary Disallowances under Income-tax Law (Including change in tax rates)	0.67	0.04	0.00	0.71
	<b>1.22</b>	<b>0.38</b>	<b>-0.03</b>	<b>1.57</b>
<b>Net Deferred Tax Liabilities/( Assets)</b>	<b>3.12</b>	<b>2.02</b>	<b>0.03</b>	<b>5.17</b>

**Reconciliation of Income-tax Expenses and Restated Accounting Profits**

(Rs. in million)

Particulars	For the Year Ended		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
<b>Restated Profits before Tax</b>	<b>951.15</b>	<b>337.97</b>	<b>197.13</b>
Effective Income-tax Rate in India	34.608%	34.608%	34.608%
Computed Effective Tax Expenses	<b>329.17</b>	<b>116.97</b>	<b>68.22</b>
Effect on account on non-deductible expenses under Income tax Act	2.32	0.74	
Other Adjustments on account of restatements	-1.68	-1.08	-2.00
Adjustments in relation to loss of subsidiary and associates	-0.42		
<b>Income-tax Expenses Charged in Restated Statement of Profit or Loss</b>	<b>330.23</b>	<b>116.63</b>	<b>66.22</b>

Notes:

1. The figures disclosed above are based on the restated summary statement of profit or loss of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE – 38****RESTATED STATEMENT OF MANDATORY ACCOUNTING RATIOS**

(Rs. in million)

Particulars	As At		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
<b>Net Worth</b>	1079.85	461.50	289.82
Less: Revaluation Reserves(if any)	0.00	0.00	0.00
<b>Net Worth (A)</b>	1079.85	461.50	289.82
Restated Profit after tax	618.01	219.82	128.98
<b>Adjusted Profit after Tax available for equity shareholders (B)</b>	618.01	219.82	128.98
Number of Equity Share outstanding on every balance sheet date (C)	29.50	0.25	0.25
Weighted average no of Equity shares at the time of end of the year (D)	29.50	29.50	29.50
<b>Current Assets (E)</b>	2621.09	949.54	530.57
<b>Current Liabilities (F)</b>	1942.73	624.94	598.87
<b>Face Value per Share (in Rs.)</b>	<b>10.00</b>	<b>10.00</b>	<b>10.00</b>
Restated Basic and Diluted Earnings Per Share (Rs.) (B/D) Refer Note 1 given below	<b>20.95</b>	<b>7.45</b>	<b>4.37</b>
Return on Net worth (%) (B/A)	<b>57.23</b>	<b>47.63</b>	<b>44.50</b>
Net asset value per share (A/C) (in Rs.)	<b>36.60</b>	<b>1,846.01</b>	<b>1,159.29</b>
Adjusted Net asset value per share based on Weighted average number of share (A/D) (In Rs.)	<b>36.60</b>	<b>15.64</b>	<b>9.82</b>
Current Ratio (E/F)	<b>1.35</b>	<b>1.52</b>	<b>0.89</b>

**Note: -**

1) The ratios have been computed as below:

(a) The Company has issued bonus shares in the ratio of 1:117 on November 21, 2017 against 250000 shares resulting into 2,92,50,000 equity shares of Rs. 10/- each.

(b) Diluted earnings per share (Rs.)-: Net profit after tax as restated for calculating diluted EPS / Weighted average number of equity shares outstanding at the end of the period or year for diluted EPS

(c) Return on net worth (%) -: Net profit after tax (as restated) / Net worth at the end of the period or year

(d) Net assets value per share -: Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year

2) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted by the number of equity shares issued during period/year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/year.

- 3) Net worth for ratios mentioned in note 1(c) and 1(d) is = Equity share capital + Reserves and surplus (including Securities Premium, General Reserve and surplus in statement of profit and loss).
- 4) The figures disclosed above are based on the CONSOLIDATED restated summary statements of the Company.
- 5) The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III."

**NOTE – 39****RESTATED CONSOLIDATED STATEMENT OF RELATED PARTY TRANSACTION**

- a) Names of the related parties with whom transaction were carried out during the years and description of relationship:
- |  |  |   |
|--|--|---|
| 1) Company/entity owned or significantly influenced by directors/ KMP/individuals owning interest in voting power that gives them significant influence over the enterprise or their relatives | Vaviya Developers Pvt Ltd<br>Kon Reality<br>Dataexpress Pvt Ltd<br>Delix Net Solutions Pvt Ltd<br>Kon Infra Project  | Associate Company<br>Associate Firm<br>Subsidiary Company<br>Associate Company<br>Associate Firm  |
| 2) Key Management Personnels/Directors   | Mr. Dinesh Kargal<br>Ms. Shashikala Kargal<br>Mr. Darshan Kargal<br>Mr. Sharad Gyanchandara Gandhi<br>Mr. Chandrashekar Shrikrishna Joshi<br>Mr. Showraiah Lourde Kakumanu<br>Mr. Aksh Devesh Jain<br>Mr. Abhishek Gupta | Managing Director<br>Director<br>Director<br>Independent Director<br>Independent Director<br>Independent Director<br>Chief Financial Officer<br>Company Secretary |
| 3) Relative of Key Management Personnels:  |  |   |

**(Rs. in million)**

Sr. No.	Nature of Transaction	As At		
1	Dinesh Kargal	2017-18	2016-17	2015-16
	Opening (Cr)	29.77	4.39	10.24
	Remuneration	17.75	10.20	5.55
	Rent	4.76	4.76	4.10
	Dividend Paid		22.00	16.50
	Amount received/ credited	26.10	42.55	1.00
	Amount paid/ debited	35.96	32.12	16.50
	Closing (Cr)	42.42	29.77	4.39
2	Shashikala Kargal	2017-18	2016-17	2015-16
	Opening (Cr)	21.97	11.30	7.71
	Remuneration	3.38	2.51	1.80
	Dividend Paid		18.00	13.50
	Interest on loan			
	Amount received/ credited	7.90	25.88	8.30
	Amount paid/ debited	5.73	35.71	20.01
	Closing (Cr)	27.52	21.97	11.30
3	Darshan Kargal	2017-18	2016-17	2015-16
	Opening (Cr)	0.00	0.00	0.00
	Others	0.11		
	Sitting Fees	0.17		
	Credit Card payments	0.08		
	Amount received/ credited	0.08	0.03	
	Amount paid/ debited	0.13	0.03	
	Closing (Cr)	0.15	0.00	0.00

4	Vaviya Developers Pvt Ltd	2017-18	2016-17	2015-16
	Opening (Cr)	-10.03	-10.03	-7.50
	Advance for Flat	-10.03		2.53
	Amount received/ credited			
	Amount paid/ debited			
	Closing (Cr)	0.00	-10.03	-10.03
5	KON Reality (Durgadi)	2017-18	2016-17	2015-16
	Opening (Cr)	-25.50	-15.50	0.00
	Purchase of Property	-4.50	-10.00	-15.50
	Dividend Paid			
	Amount received/ credited			
	Amount paid/ debited			
	Closing (Cr)	-30.00	-25.50	-15.50
6	Delix Net Solutions Private Ltd	2017-18	2016-17	2015-16
	Opening (Cr)	0.00	0.00	0.00
	Purchase of Property			
	Dividend Paid			
	Amount received/ credited	0.35		
	Amount paid/ debited	0.35		
	Closing (Cr)	0.00	0.00	0.00
7	Mr. Sharad Gyanchandara Gandhi	2017-18	2016-17	2015-16
	Opening (Cr)	0.00	0.00	0.00
	Sitting Fees	0.04		
	Amount paid/ debited	0.00		
	Closing (Cr)	0.04	0.00	0.00
8	Mr. Chandrashekar Shrikrishna Joshi	2017-18	2016-17	2015-16
	Opening (Cr)	0.00	0.00	0.00
	Sitting Fees	0.60		
	Amount paid/ debited	0.01		
	Closing (Cr)	0.59	0.00	0.00
9	Mr. Showraiah Lourde Kakumanu	2017-18	2016-17	2015-16
	Opening (Cr)	0.00	0.00	0.00
	Sitting Fees	0.02		
	Amount paid/ debited	0.00		
	Closing (Cr)	0.02	0.00	0.00
10	Mr. Aksh Devesh Jain	2017-18	2016-17	2015-16
	Opening (Cr)	0.17	0.00	0.00
	Salary / Remuneration	0.87	0.17	
	Amount paid/ debited	0.00		
	Closing (Cr)	1.04	0.17	0.00
11	Mr. Abhishek Gupta	2017-18	2016-17	2015-16
	Opening (Cr)	0.00	0.00	0.00
	Salary / Remuneration	0.07	0.00	
	Amount paid/ debited	0.00		
	Closing (Cr)	0.07	0.00	0.00

**Note: -**

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.



3. List Company/entity owned or significantly influenced by directors/ KMP, Key Management Personnel's, and Relative of Key Management Personnel's have been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

**NOTE – 40****RESTATED CONSOLIDATED STATEMENT OF CONTINGENT LIABILITIES AND COMMITMENTS****(Rs. in million)**

Particulars	As At		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
<b>Contingent Liabilities</b>			
(a) Claims against the company not acknowledged as debt;	0.00	0.00	0.00
(b) Guarantees & LC excluding financial guarantees;	374.21	179.36	126.20
(c) Other money for which the company is contingently liable	0.00	0.00	0.00
<b>Commitments</b>	0.00	0.00	0.00
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	0.00	0.00	0.00
(b) Uncalled liability on shares and other investments partly paid	0.00	0.00	0.00
(c) Other commitments	0.00	0.00	0.00
<b>Total</b>	<b>374.21</b>	<b>179.36</b>	<b>126.20</b>

**Notes:**

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE-41****STATEMENT OF FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES**

This section gives an overview of the significance of financial instruments for the Company and provides additional information on the balance sheet. Details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial assets and financial liabilities are disclosed in Annexure-V.

**(Rs. in million)****Financial Assets & Liabilities as at**

Particulars	31-03-2018				
	FVTPL	FVTOCI	Amortised Cost	Carrying Value	Fair Value
<b>Financial Assets</b>					
Cash & Cash Equivalents			5.87	5.87	5.87
Other Bank Balances			1.31	1.31	1.31
Non-Current Investments	5.01			5.01	5.01
Current Investments			0.00	0.00	0.00
Loans Non-Current			0.00	0.00	0.00
Loans Current			0.17	0.17	0.17
Non-Current Trade Receivables			59.95	59.95	59.95
Current Trade Receivables			821.03	821.03	821.03
Other Non-Current Financial Assets	93.20		200.21	293.41	293.41
Other Current Financial Assets			1503.55	1503.55	1503.55
	<b>98.21</b>	<b>0.00</b>	<b>2592.10</b>	<b>2690.30</b>	<b>2690.30</b>
<b>Financial Liabilities</b>					
Borrowing - Non Current			94.25	94.25	94.25
Borrowing - Current			166.99	166.99	166.99
Trade Payables			1367.29	1367.29	1367.29
Other Non-Current Financial Liabilities			0.00	0.00	0.00
Other Current Financial Liabilities			40.65	40.65	40.65

				0	0
	0.00	0.00	1669.18	1669.18	1669.18
(Rs. in million)					
Particulars	31-03-2017				
	FVTPL	FVTOCI	Amortised Cost	Carrying Value	Fair Value
<b>Financial Assets</b>					
Cash & Cash Equivalents			136.19	136.19	136.19
Other Bank Balances			12.01	12.01	12.01
Non-Current Investments	0.01			0.01	0.01
Current Investments			0.00	0.00	0.00
Loans Non-Current				0.00	0.00
Loans Current			0.43	0.43	0.43
Non-Current Trade Receivables			93.81	93.81	93.81
Current Trade Receivables			475.75	475.75	475.75
Other Non-Current Financial Assets	33.21		130.38	163.59	163.59
Other Current Financial Assets			281.94	281.94	281.94
	33.22	0.00	1130.51	1163.73	1163.73
<b>Financial Liabilities</b>					
Borrowing - Non Current			96.39	96.39	96.39
Borrowing - Current			0.00	0.00	0.00
Trade Payables			436.97	436.97	436.97
Other Non-Current Financial Liabilities			0.00	0.00	0.00
Other Current Financial Liabilities			53.68	53.68	53.68
				0.00	0.00
	0.00	0.00	587.04	587.04	587.04
(Rs. in million)					
Particulars	01-04-2016				
	FVTPL	FVTOCI	Amortised Cost	Carrying Value	Fair Value
<b>Financial Assets</b>					
Cash & Cash Equivalents			5.41	5.41	5.41
Other Bank Balances			3.96	3.96	3.96
Non-Current Investments	0.51			0.51	0.51
Current Investments			0.00	0.00	0.00
Loans Non-Current			0.00	0.00	0.00
Loans Current			0.13	0.13	0.13
Non-Current Trade Receivables			69.02	69.02	69.02
Current Trade Receivables			238.18	238.18	238.18
Other Non-Current Financial Assets	30.97		84.60	115.57	115.57
Other Current Financial Assets			243.43	243.43	243.43
	31.48	0.00	644.73	676.21	676.21
<b>Financial Liabilities</b>					
Borrowing - Non Current			36.21	36.21	36.21
Borrowing - Current			78.38	78.38	78.38
Trade Payables			376.33	376.33	376.33
Other Non-Current Financial Liabilities			0.00	0.00	0.00
Other Current Financial Liabilities			75.05	75.05	75.05
	0.00	0.00	565.97	565.97	565.97

**Fair Valuation Techniques**

The fair value of the financial assets and liabilities are included at the amount that would be received to sell an asset and paid to transfer a liability in an orderly transaction between market participants.

**The following methods and assumptions were used to estimate fair values:**

- Fair value of cash and deposits, trade receivables, trade payables, current borrowings, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

- Interest free security deposits accepted by the Company have been carried at their amortised cost as their discounting will not represent the meaningful and fair information and the contractual term for which they are received is not substantially long.
- IND AS 101 allows the Company to fair value its Property, Plant and Equipment. However, on transition to IND AS, the Company has opted for the exemption of deemed cost where the assets are carried forward at their existing carrying amounts as per Indian GAAP.
- IND AS 101 allows the Company to fair value its investment in subsidiary, associates and joint ventures. However, on transition to IND AS, the Company has opted for the exemption where the investments have been carried forward at their existing carrying amounts as per Indian GAAP.
- The investments in equity shares (apart from Subsidiaries, JVs and Associates) made by the Company have been recorded at their fair value using the market price of the share and where market price was not available, using the Net Asset method to value the shares.
- Non-Current borrowing including current maturity of long term borrowings: Fair value has been determined by the Company based on parameters such as interest rates, risk factors and the risk characteristics of the financed project. There has been no transfer between level 1 and level 2 during the above periods.

**NOTE-42**  
**STATEMENT OF EMPLOYEE BENEFITS**

**42.1 Gratuity (Non Funded)**

**I Liability/(Asset) to be recognised in the Balance Sheet**

(Rs. in million)

Amount in Balance Sheet	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Defined Benefit Obligation (DBO)	1.95	2.93	1.95
Fair value of Plan Assets		0.00	
Funded Status- (Surplus)/Deficit	1.95	2.93	1.95
<b>Liability/(Asset) recognised in the Balance Sheet</b>	<b>1.95</b>	<b>2.93</b>	<b>1.95</b>

**II Bifurcation of DBO into Current and Non-Current Portion**

(Rs. in million)

Current/ Non-Current Benefit obligation/asset	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Current Liability	0.50	0.15	0.11
Non-Current Liability	1.44	2.78	1.83
<b>Liability / (Asset) recognised in the Balance Sheet</b>	<b>1.95</b>	<b>2.93</b>	<b>1.95</b>

**III Expense recognised during the year in the Statement of Profit and Loss**

(Rs. in million)

Particulars	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Current Service Cost	0.43	0.64	0.42
Interest Cost	0.21	0.15	0.11
Expected Return on Plan Assets		0.00	
<b>Total Expense / (Income) included in "Employee benefit Expense"</b>	<b>0.63</b>	<b>0.78</b>	<b>0.53</b>

**IV Expense recognised during the year in the Statement of Other Comprehensive Income(OCI)**

(Rs. in million)

Particulars	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Amount recognised in OCI, Beginning of period	0.49	0.29	0.38
<b>Remeasurement due to:</b>	0.00	0.00	
Effect of change in financial assumptions	-0.02	0.00	

Effect of experience adjustments	-1.60	0.20	-0.09
Actuarial (Gains)/Losses	-1.61	0.20	-0.09
Return on plan assets (excluding interest)	0.00	0.00	
<b>Total Remeasurement recognized in OCI</b>	<b>-1.61</b>	<b>0.20</b>	<b>-0.09</b>
<b>Amount recognized in OCI, End of Period</b>	<b>-1.12</b>	<b>0.49</b>	<b>0.29</b>

**V Reconciliation of amounts in Balance Sheet**

(Rs. in million)

Particulars	31-03-2018	31-03-2017	31-03-2016 (Proforma)
<b>Opening Balance Sheet (Asset)/Liability</b>	<b>2.93</b>	<b>1.95</b>	<b>1.51</b>
Total Expense/(Income) recognised in P&L	0.63	0.78	0.53
Actual Employer Contribution	0.00	0.00	
Total Remeasurement Recognised in Other Comprehensive (Income)/Loss	-1.61	0.20	-0.09
Acquisition/ Business Combination/ Divestiture	0.00	0.00	
<b>Closing Balance Sheet (Asset)/Liability</b>	<b>1.95</b>	<b>2.93</b>	<b>1.95</b>

(Rs. in million)

Change in Present Value of Benefit Obligation during the Period	For the year ended 31-03-2018	For the year ended 31-03-2017	As on 31-03-2016 (Proforma)
<b>Defined Benefit Obligation, Beginning of Period</b>	<b>2.93</b>	<b>1.95</b>	<b>1.51</b>
Current Service Cost	0.43	0.64	0.42
Interest Cost	0.21	0.15	0.11
Actuarial (Gains)/Losses	-1.61	0.20	-0.09
Actual Benefits Paid	0.00	0.00	
<b>Defined Benefit Obligation, End of Period</b>	<b>1.95</b>	<b>2.93</b>	<b>1.95</b>

(Rs. in million)

Other Items	For the year ended March 31, 2018	For the year ended March 31, 2017	As on 31st March 31, 2016 (Proforma)
Weighted average duration (based on discounted cash flow)	20.00	17.00	17.00

**VI Sensitivity analysis**

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible. Please note that the sensitivity analysis presented below may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated. The results of sensitivity analysis are given below:

(Rs. in million)

Period	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Defined Benefit Obligation (Base)	1.95 @ Salary Increase Rate : 5%, and discount rate :7%	2.93 @ Salary Increase Rate : 5%, and discount rate :7.5%	1.95 @ Salary Increase Rate : 5%, and discount rate :7.5%
Liability with x% increase in Discount Rate	1.90; x=1.00% [Change (2)% ]	2.69; x=1.00% [Change (8)% ]	1.79; x=1.00% [Change (8)% ]
Liability with x% decrease in Discount Rate	1.99; x=1.00% [Change 2% ]	3.20; x=1.00% [Change 9% ]	2.13; x=1.00% [Change 9% ]
Liability with x% increase in Salary Growth Rate	1.99; x=1.00% [Change 2% ]	3.16; x=1.00% [Change 8% ]	2.09; x=1.00% [Change 7% ]
Liability with x% decrease in Salary Growth Rate	1.90; x=1.00%	2.73; x=1.00%	1.83; x=1.00%

	[Change (2)% ]	[Change (7)% ]	[Change (6)% ]
Liability with x% increase in withdrawal Rate	1.93; x=1.00% [Change (1)% ]	2.96; x=1.00% [Change 1% ]	1.96; x=1.00% [Change 1% ]
Liability with x% decrease in withdrawal Rate	1.93; x=1.00% [Change 1% ]	2.89; x=1.00% [Change (1)% ]	1.92; x=1.00% [Change (1)% ]

**VII Expected Undiscounted Cash Flows**

(Rs. in million)

Expected cash flows	31-03-2018	31-03-2017	31-03-2016 (Proforma)
01 Apr 2018 to 31 Mar 2019	0.58	0.17	0.11
01 Apr 2019 to 31 Mar 2020	0.70	0.17	0.13
01 Apr 2020 to 31 Mar 2021	1.08	0.19	0.13
01 Apr 2021 to 31 Mar 2022	1.00	0.44	0.14
01 Apr 2022 to 31 Mar 2023	1.12	0.27	0.29
01 Apr 2023 Onwards		2.93	2.11

**VIII Projection for next period:**

(Rs. in million)

Projection for next period:	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Best estimate for contribution during next Period	1.07	0.94	0.69

**IX Plan provisions considered for carrying out actuarial valuation**

(Rs. in million)

Particulars	For the year ended 31-03-2018, 31-03-2017 & 31-03-2016
Eligibility	All employees
Qualifying salary	Monthly Basic
Qualifying service	Completed years of Continuous service with part thereof in excess of six months
Form of payment	Lump sum
Retirement benefit	15/26 x Last drawn salary x Past Service (Yr)
Withdrawal benefit	15/26 x Last drawn salary x Past Service (Yr)
Death benefit	15/26 x Last drawn salary x Past Service (Yr)
Vesting Period	Five years of service

**X Data used for Actuarial Valuation**

(Rs. in million)

Membership data	For the year ended 31-03-2018	For the year ended 31-03-2017	For the year ended 31-03-2016
Number of Members	305	228	119
Total monthly Salary (in Millions)	3.84	2.94	2.00
Average monthly Salary (in Rs.)	12,602.00	12,878.49	16,775.63
Average age (Years)	31.50	31.10	30.60
Average Future Service (Years)	28.50	28.90	29.40
Average Past Service (Years)	1.60	1.70	1.60

**XI Actuarial Assumptions**

(Rs. in million)

Financial Assumptions	For the year ended 31-03-2018	For the year ended 31-03-2017	For the year ended 31-03-2016
Discount Rate	7.50%	7.50%	7.50%
Salary Escalation rate	5.00%	5.00%	5.00%
Expected return on assets	0.00%	0.00%	0.00%

Demographic assumptions	For the year ended 31-03-2018	For the year ended 31-03-2017	For the year ended 31-03-2016
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Mortality Table*	Indian Assured Lives Mortality (2006-08) Ult.	Indian Assured Lives Mortality (2006-08) Ult.	Indian Assured Lives Mortality (2006-08) Ult.
Withdrawal Rate	36% p.a.	5% p.a.	5% p.a.
Retirement age	60 years	60 years	60 years

Timing related assumptions	For the year ended March 31, 2018, March 31, 2017 & March 31, 2016
Time of retirement	Immediately on achieving normal retirement
Salary increase frequency	Once a year

\* Mortality Rate: Represents mortality rates from Indian Assured Lives Mortality (2006-08) Ult. Are given in the table below.

Age	Rate
20	0.000888
25	0.000984
30	0.001056
35	0.001282
40	0.001803
45	0.002874
50	0.004946
55	0.007888
60	0.011534
65	0.017009
70	0.258550
75	0.039637

#### Discount rate

Discount Rate for the valuation is based on Yield to Maturity (YTM) available on Government bonds having similar term to decrement-adjusted estimated term of liabilities. For valuation as at 31st March 2017 /31st March, 2016 the estimated term of liabilities is 8.56/ 8.16 years, corresponding to which YTM on government bonds is 7.05% / 7.68% respectively, after rounding to nearest 0.05%.

Estimated term of liabilities, for selection of discount rate, is calculated as average term of all future benefit payments on account of death, retirement or resignation weighted by corresponding amount of benefits.

#### Salary escalation rate

Salary escalation assumption has been set based on the estimates of overall long-term salary growth rates after taking into consideration expected earnings inflation as well as performance and seniority related increases.

#### Withdrawal rate

Assumptions regarding withdrawal rates are also set based on the estimates of expected long-term future employee turnover within the organization.

#### Mortality rate

Indian Assured Lives Mortality (2006-08) Ult. as issued by Institute of Actuaries of India has been used.

#### Projected Unit Credit Method

Privilege Leave Plan is classified as Defined Benefit plan as enterprise's obligation is to provide agreed benefits to plan members. Actuarial & Investment risks are borne by the Company.

As required under Para 51 (b) of Ind AS 19, valuation of plan benefits is done using Projected Unit Credit Method. Under this method, only benefits accrued till the date of valuation (i.e. based on service upto date of valuation) are considered for valuation. Present value of Defined Benefit Obligation is calculated by projecting salaries, exits due to

death, resignation and other decrements, if any, and benefit payments made during each month till the time of retirement of each active member using assumed rates of salary escalation, mortality & employee turnover rates. The expected benefit payments are then discounted back from the expected future date of payment to the date of valuation using the assumed discount rate.

Ind AS 19 also requires 'Service Cost' to be calculated separately in respect of benefit accrued during the current period. Service Cost is calculated using the same method as described above; however instead of all accrued benefits, benefit accrued over the current reporting period is considered.

### Modelling Assumptions

Decrement due to death & resignation are assumed to occur uniformly throughout the year

Members above Normal Retirement Age are assumed to retire immediately after the reporting date.

### 42.2 Leave Encashment (Non Funded)

#### I Liability/(Asset) to be recognised in the Balance Sheet

(Rs. in million)

Amount in Balance Sheet	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Defined Benefit Obligation (DBO)	2.23	0.95	0.53
Fair value of Plan Assets		0.00	0.00
Funded Status- (Surplus)/Deficit	2.23	0.95	0.53
<b>Liability/(Asset) recognised in the Balance Sheet</b>	<b>2.23</b>	<b>0.95</b>	<b>0.53</b>

#### II Bifurcation of DBO into Current and Non-Current Portion

(Rs. in million)

Current/ Non-Current Benefit obligation/asset	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Current Liability	0.85	0.07	0.04
Non-Current Liability	1.38	0.88	0.50
<b>Liability/(Asset) recognised in the Balance Sheet</b>	<b>2.23</b>	<b>0.95</b>	<b>0.53</b>

#### III Expense recognised during the year in the Statement of Profit and Loss

(Rs. in million)

Particulars	For the year ended 31-03-2018	For the year ended 31-03- 2017	For the year ended 31-03- 2016
Current Service Cost	1.25	0.59	0.35
Interest Cost	0.07	0.04	0.02
Expected Return on Plan Assets		0.00	0.00
<b>Total Expense/(Income) included in "Employee benefit Expense"</b>	<b>1.31</b>	<b>0.63</b>	<b>0.37</b>

#### IV Expense recognised during the year in the Statement of Other Comprehensive Income(OCI)

(Rs. in million)

Particulars	For the year ended 31-03-2018	For the year ended 31-03- 2017	For the year ended 31-03- 2016
Amount recognised in OCI, Beginning of period	0.18	0.05	0.09
Remeasurement due to:	0.00	0.00	0.00
Effect of change in financial assumptions	0.22	0.00	0.00
Effect of experience adjustments	-0.16	0.13	-0.04
Actuarial (Gains)/Losses	0.05	0.13	-0.04
Return on plan assets (excluding interest)	0.00	0.00	0.00
<b>Total Remeasurement recognized in OCI</b>	<b>0.05</b>	<b>0.13</b>	<b>-0.04</b>
<b>Amount recognized in OCI, End of Period</b>	<b>0.23</b>	<b>0.18</b>	<b>0.05</b>

#### V Reconciliation of amounts in Balance Sheet

(Rs. in million)

Particulars	31-03-2018	31-03-2017	31-03-2016 (Proforma)
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Opening Balance Sheet (Asset)/Liability	0.95	0.53	0.20
Total Expense/(Income) recognised in P&L	1.31	0.63	0.37
Actual Employer Contribution	0.00	0.00	0.00
Total Remeasurement Recognised in Other Comprehensive (Income)/Loss	0.05	0.13	-0.04
Benefits Paid	-0.09	-0.34	0.00
Acquisition / Business Combination/ Divestiture	0.00	0.00	
<b>Closing Balance Sheet (Asset)/Liability</b>	<b>2.23</b>	<b>0.95</b>	<b>0.53</b>

(Rs. in million)

Change in Present Value of Benefit Obligation during the Period	For the year ended 31-03-2018	For the year ended 31-03-2017	For the year ended 31-03-2016
Defined Benefit Obligation, Beginning of Period	0.95	0.53	0.20
Current Service Cost	1.25	0.59	0.35
Interest Cost	0.07	0.04	0.02
Actuarial (Gains)/Losses	0.05	0.13	-0.04
Actual Benefits Paid	-0.09	-0.34	
<b>Defined Benefit Obligation, End of Period</b>	<b>2.23</b>	<b>0.95</b>	<b>0.53</b>

Other Items	For the year ended 31-03-2018	For the year ended 31-03-2017	For the year ended 31-03-2016
Weighted average duration (based on discounted cash flow)	27.00	27.00	28.00

**VI Sensitivity analysis**

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible. Please note that the sensitivity analysis presented below may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated. The results of sensitivity analysis are given below:

Period	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Defined Benefit Obligation (Base)	2.23	0.96	0.534
Liability with x% increase in Discount Rate	2.18; x=1.00% [Change (2)% ]	.85; x=1.00% [Change (10)% ]	0.48; x=1.00% [Change (10)% ]
Liability with x% decrease in Discount Rate	2.29; x=1.00% [Change 3% ]	1.07; x=1.00% [Change 12% ]	0.60; x=1.00% [Change 12% ]
Liability with x% increase in Salary Growth Rate	2.29; x=1.00% [Change 3% ]	1.07; x=1.00% [Change 13% ]	0.60; x=1.00% [Change 13% ]
Liability with x% decrease in Salary Growth Rate	2.17; x=1.00% [Change (2)% ]	0.85; x=1.00% [Change (11)% ]	0.48; x=1.00% [Change (10)% ]
Liability with x% increase in withdrawal Rate	2.23; x=1.00% [Change 0% ]	0.98; x=1.00% [Change 3% ]	0.55; x=1.00% [Change 3% ]
Liability with x% decrease in withdrawal Rate	2.23; x=1.00% [Change 0% ]	0.92; x=1.00% [Change (4)% ]	0.51; x=1.00% [Change (4)% ]

**VII Projection for next period: (in Rs.)**

Projection for next period: (in Rs.)	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Best estimate for contribution during next Period	924	5093	

**VIII Plan provisions considered for carrying out actuarial valuation**



Particulars	For the year ended March 31, 2018, 2017 & 2016
Eligibility	All employees
Qualifying salary	As per Rules of Company
Qualifying service	Completed years of Continuous service with part thereof in excess of six months
Form of payment	Lump sum
Retirement benefit	$1/30 \times \text{Salary} \times \text{Number of Leaves}$
Withdrawal benefit	$1/30 \times \text{Salary} \times \text{Number of Leaves}$
Death benefit	$1/30 \times \text{Salary} \times \text{Number of Leaves}$

#### IX Data used for Actuarial Valuation

Membership data	For the year ended 31-03-2018	For the year ended 31-03-2017	For the year ended 31-03-2016
Number of Members	305	228	119
Total monthly Salary (in Millions)	3.84	2.94	2.00
Average monthly Salary (in Rs.)	12,602.00	12,878.49	16,775.63
Average age (Years)	31.50	31.10	30.6
Average Past Service (Years)	1.60	1.70	1.6
Average Future Service (Years)	28.50	28.90	29.4
Total Leave With Cap/Without Cap	7,844/7,844	4438	1818/1818
Total CTC for Availment/ Rate (in Rs.)	76,87,222 / 3%	58,72,593	3992600/3%

#### X Actuarial Assumptions

Financial Assumptions	For the year ended 31-03-2018	For the year ended 31-03-2017	For the year ended 31-03-2016
Discount Rate	7.00%	7.50%	7.50%
Salary Escalation rate	5.00%	5.00%	5.00%
Expected return on assets	0.00%	0.00%	0.00%

Demographic assumptions	For the year ended 31-03-2018	For the year ended 31-03-2017	For the year ended 31-03-2016
Mortality Table*	Indian Assured Lives Mortality (2006-08) Ult.	Indian Assured Lives Mortality (2006-08) Ult.	Indian Assured Lives Mortality (2006-08) Ult.
Withdrawal Rate	36% p.a.	5% p.a.	5% p.a.
Retirement age	60 years	60 years	60 years
Timing related assumptions	For the year ended 31st March 2018 , 2017 & 2016		
Time of retirement	Immediately on achieving normal retirement		
Salary increase frequency	Once a year		

\* Mortality Rate: Represents mortality rates from Indian Assured Lives Mortality (2006-08) Ult. Are given in the table below.

Age	Rate
20	0.000888
25	0.000984
30	0.001056
35	0.001282
40	0.001803
45	0.002874
50	0.004946
55	0.007888
60	0.011534

65	0.017009
70	0.258550
75	0.039637

**Discount rate**

Discount Rate for the valuation is based on Yield to Maturity (YTM) available on Government bonds having similar term to decrement-adjusted estimated term of liabilities. For valuation as at 31st March 2017 /31st March, 2016 the estimated term of liabilities is 8.56/ 8.16 years, corresponding to which YTM on government bonds is 7.05% / 7.68% respectively, after rounding to nearest 0.05%.

Estimated term of liabilities, for selection of discount rate, is calculated as average term of all future benefit payments on account of death, retirement or resignation weighted by corresponding amount of benefits.

**Salary escalation rate**

Salary escalation assumption has been set based on the estimates of overall long-term salary growth rates after taking into consideration expected earnings inflation as well as performance and seniority related increases.

**Withdrawal rate**

Assumptions regarding withdrawal rates are also set based on the estimates of expected long-term future employee turnover within the organization.

**Mortality rate**

Indian Assured Lives Mortality (2006-08) Ult. as issued by Institute of Actuaries of India has been used.

**Projected Unit Credit Method**

Privilege Leave Plan is classified as Defined Benefit plan as enterprise's obligation is to provide agreed benefits to plan members. Actuarial & Investment risks are borne by the Company.

As required under Para 51 (b) of Ind AS 19, valuation of plan benefits is done using Projected Unit Credit Method. Under this method, only benefits accrued till the date of valuation (i.e. based on service upto date of valuation) are considered for valuation. Present value of Defined Benefit Obligation is calculated by projecting salaries, exits due to death, resignation and other decrements, if any, and benefit payments made during each month till the time of retirement of each active member using assumed rates of salary escalation, mortality & employee turnover rates. The expected benefit payments are then discounted back from the expected future date of payment to the date of valuation using the assumed discount rate.

Ind AS 19 also requires 'Service Cost' to be calculated separately in respect of benefit accrued during the current period. Service Cost is calculated using the same method as described above; however instead of all accrued benefits, benefit accrued over the current reporting period is considered.

**Modelling Assumptions**

Decrements due to death & resignation are assumed to occur uniformly throughout the year

Members above Normal Retirement Age are assumed to retire immediately after the reporting date.

**NOTE-43****STATEMENT OF FINANCIAL RISK MANAGEMENT**

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

**Financial Risk Factors**

The Company's principal financial liabilities comprise of current and non-current borrowings, trade and other payables, advance from customers, security deposits, retention moneys and other such payables. The main purpose of these financial liabilities is to manage finances for the Company's operations and also for purchase of capital assets and for safeguarding its interests under contracts.

The Company has given loans to its employees, trade and other receivables, investments in equity shares and cash and cash equivalents that arise directly from its operations as a part of its financial assets.

The Company's activities expose it to a variety of financial risks:

**a) Credit Risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

**Trade and other receivables**

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry.

A default on a financial asset is when the counterparty fails to make contractual payments within 90 days of when they fall due. This definition of default is determined by considering the business environment in which Company operates and other macro-economic factors. Credit quality of a customer is assessed based on its credit worthiness and historical dealings with the Company, market intelligence and goodwill. Outstanding customer receivables are regularly monitored.

The Company has established an allowance for impairment that represents its expected credit losses in respect of trade and other receivables. The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables and 12-month expected credit loss for other receivables. An impairment analysis is performed at each reporting date on an individual basis for major parties.

**Cash and cash equivalents**

Credit risk on cash and cash equivalents and other deposits with banks is limited as the Company generally invest in deposits with banks with high credit ratings assigned by external credit rating agencies, accordingly the Company considers that the related credit risk is low. Impairment on these items are measured on the 12-month expected credit loss basis.

**b) Market Risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

Financial Instruments affected by Market Price Risk include investments made in equity instruments by the Company.

There are no currency rate risk on the Company since all the transactions are done in the functional currency (INR).

**c) Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Management monitors rolling forecasts of the group's liquidity position and cash and cash equivalents on the basis of expected cash flows.

**d) Interest Rate Risk**

The Company is exposed to interest rate risk on short-term and long-term borrowings. The Company's policy is to maintain a balance of fixed and floating interest rate borrowings and proportion of fixed and floating rate debt is determined by current market interest rates. The borrowings of the Company are principally denominated in Indian Rupees and accordingly, there is no currency exchange risk on interest rate.

The Company's borrowings and deposits/loans are all at fixed rate and are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

**NOTE-44**

**Additional Information pursuant to para 2 of general instructions for the preparation of Consolidated Financial Statements**

(Rs. in million)

Name of Entity	Net Assets		Share in Profit & Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit or Loss	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income	Amount
Dinesh Engineers Limited	99.64%	1081.65	100.21%	616.99	100%	1.02	100.21%	619.32
<b>Subsidiaries</b>					0%	-		
Data Express Private Limited	-0.03%	-0.36	-0.10%	-0.69	0%	-	-0.11%	-0.69
Non-Controlling interest in Subsidiaries	0.49%	2.07		-0.33	0%	-		-0.33
<b>Associates</b>								
Delix Net Solutions Private Limited	-0.06%	-0.61	-0.11%	-0.61	0%	-	-0.10%	-0.61
Vaviya Developers Private Limited	-0.05%	-0.50	0.00%	0.00	0%	-	-	-

**NOTE-45**

**STATEMENT OF CAPITAL MANAGEMENT**

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth and maximise the shareholders' value. The Company's overall strategy remains unchanged from previous year. The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments. The funding requirements are met through a mixture of equity, internal fund generation and borrowed funds. The Company's policy is to use short term and long-term borrowings to meet anticipated funding requirements. The Company monitors capital on the basis of the net debt to equity ratio. The Company is not subject to any externally imposed capital requirements. Net debt are long term and short term debts as reduced by cash and cash equivalents (including restricted cash and cash equivalents) and short-term investments. Equity comprises share capital and free reserves. The following table summarizes the capital of the Company:

(Rs. in million)

Particulars	As on: 31-03-2018	As on: 31-03-2017	As on 01-04-2016
Share Capital	295.00	2.50	2.50
Free Reserves	784.85	459.00	287.32

<b>Equity (A)</b>	<b>1079.85</b>	<b>461.50</b>	<b>289.82</b>
Cash & Cash Equivalents	5.87	136.19	5.41
Short Term Investments	0.00	0.00	0.00
<b>Total Cash (B)</b>	<b>5.87</b>	<b>136.19</b>	<b>5.41</b>
Short-term Borrowings	166.99	0.00	78.38
Long-Term Borrowings	94.25	96.39	36.21
Current Maturity of Long-term Borrowings	109.70	86.34	54.07
<b>Total Debt (C)</b>	<b>370.94</b>	<b>182.73</b>	<b>168.66</b>
<b>Net Debt (D=(C-B))</b>	<b>365.07</b>	<b>46.54</b>	<b>163.25</b>
<b>Net Debt to Equity Ratio (E=D/A)</b>	<b>0.34</b>	<b>0.10</b>	<b>0.56</b>

<b>Dividend Pay-out History</b>			
<b>Dividends</b>	<b>FY 2017-18</b>	<b>FY 2016-17</b>	<b>FY 2015-16</b>
Interim Dividend of Rs. 160/- per share		40.00	
Interim Dividend of Rs. 120/- per share			30.00

**NOTE-46****PRIOR PERIOD ITEMS ALONG WITH IMPACT ANALYSIS**

As per IND AS 8 an entity is required to correct prior period error retrospectively by restating the comparative amounts for the prior period presented in which the error occurred. If the error occurred before the earliest prior period presented, it will restate the opening balance of assets, liabilities and equity for the earlier prior period presented. Therefore, in terms of provisions of IND AS 8, the impact of the prior period items identified in the current year and relating to the previous year have been restated and for the period before the last comparative period shown have been adjusted in the opening balance of retained earnings.

Particulars	Amount (Rs. in million)		
	FY 17-18	FY 16-17	FY 15-16
<b>Prior Period adjustment</b>			
Decrease/(Increase) in Expenses due to Adj of TDS Receivables (Misc Deductions)	-4.25	0.00	4.25
Sub-contract charges	-4.98	0.00	4.98
<b>Total Impact on profit/reserve</b>	<b>-9.23</b>	<b>0.00</b>	<b>9.23</b>
<b>Increase/(Decrease) in EPS (in Rs.)</b>	<b>-0.31</b>	<b>0.00</b>	<b>0.31</b>

**NOTE-47****DISCLOSURE IN TERMS OF IND AS - 11 - CONSTRUCTION CONTRACTS**

	(Rs. in million)		
<b>Basic Disclosures:</b>	<b>As on: 31-03-2018</b>	<b>As on: 31-03-2017</b>	<b>As on 01-04-2016</b>
(a)the amount of contract revenue recognised as revenue in the period;	<b>2746.92</b>	<b>1513.74</b>	<b>1117.05</b>
(b)the methods used to determine the contract revenue recognised in the period; and	<b>As per Annexure - V</b>		
(c)the methods used to determine the stage of completion of contracts in progress.	<b>As per Annexure - V</b>		

**In respects of contracts in progress:**

(Rs. in million)

An entity shall disclose each of the following for contracts in progress at the end of the reporting period:			
(a)the aggregate amount of costs incurred and recognised profits (less recognised losses) to date;	<b>1617.21</b>		
(b)the amount of advances received; and	-	-	-
(c)the amount of retentions.	-	-	-

**NOTE-48**

**EARNING AND EXPENDITURE ON FOREIGN CURRENCY (IN ACCRUAL BASIS):**

(Rs. in million)		
Particulars	2017-18	2016-17
Earnings	Nil	Nil
Export of Goods / Services	Nil	Nil
<b>Expenditure</b>		
Purchase of Goods / Services	Nil	Nil
Component & Spares	Nil	Nil
Capital Goods	Nil	Nil
Travelling Expenses	Nil	Nil
Other Matters	Nil	Nil

**NOTE-49**  
**MISCELLANEOUS:**

- (i) Previous years' figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure and to comply with the requirements of IND AS.
- (ii) Normal Operating Cycle of Company's business has been determined in accordance with the requirement of Schedule III of the Companies Act, 2013.
- (iii) Balance of trade payables, trade receivables and loans and advances are subject to confirmation/reconciliation and resultant adjustment(s) thereof.

**NOTE-50**  
**CONSOLIDATED SUMMARY STATEMENT RECONCILIATION BETWEEN PREVIOUS GAAP AND IND AS**

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from erstwhile Indian GAAP to Ind AS.

**I Reconciliation of Equity between IND-AS and previous GAAP**

(Rs. in million)			
Nature of Adjustments	Reference Note	As at 31-03-2017	As at 1-04-216
<b>Shareholder's Equity as per previous GAAP before restated adjustments</b>		<b>462.12</b>	<b>291.64</b>
<b>Add/(Less): Ind AS and Other Adjustments</b>			
Adjustments in relation to retrospective application of IND AS - 19	(A)	-3.88	-2.48
Prior Period Adjustment - Increase in Expenses	(B)	-4.98	-4.98
Provision for Expected Credit Loss	(C)	-0.15	
Leasehold Property Amortization Adjustment	(D)	0.20	0.13
Adjustment on account of deferment of BG Charges	(E)	2.21	3.77
Impact due to revised calculations of revenue from contracts Income	(F)	5.94	3.80
Tax Effect on Above	(G)	1.33	0.81
<b>Shareholder's Equity as per Ind AS before restated adjustments</b>		<b>462.78</b>	<b>292.68</b>

In line with Ind AS 101, the above adjustments have been carried out through retained earnings in Reserves & Surpluses.

**II Reconciliation of Profit/(loss) after tax between Ind-AS and previous GAAP for the Year ended 31 March, 2017**

(Rs. in million)		
<b>Net Profit/(loss) as per Previous GAAP before restated adjustments</b>		<b>210.48</b>
<b>Add/(Less): Ind AS and Other Adjustments</b>		
Adjustments in relation to retrospective application of IND AS - 19		-1.40
Adjustment on account of wrong treatment of Dividend Tax in Previous GAAP		8.14
Provision for Doubtful Debts		-0.15
Leasehold Property Amortization difference		0.08
Adjustment on account of deferment of BG Charges		-1.56

Impact due to revised calculations of revenue from contracts Income		2.14
Tax Effect on above		0.51
<b>Net profit/(loss) as per Ind AS before restated adjustments</b>		<b>218.24</b>

### III Reconciliation of cash flows for the year ended March 31, 2017

The transition from erstwhile Indian GAAP to Ind AS has not made a material impact on the statement of cash flows.

#### Notes

##### (A) Defined Benefit Obligation

Under previous GAAP, Company was not accounting the defined benefit obligations. Under Ind AS financial statements, the Company has accounted for the same through Profit and Loss account and the impact of change in actuarial assumption and experience adjustments for defined benefit obligation towards gratuity and leave encashment is accounted in the Statement of Other Comprehensive Income along with the corresponding tax impact.

##### (B) Prior Period Items

Under Indian GAAP, the impact of prior period items is required to be included in the current period statement of profit and loss. However as per IND AS 8 an entity is required to correct prior period error retrospectively by restating the comparative amounts for the prior period presented in which the error occurred. If the error occurred before the earliest prior period presented, it will restate the opening balance of assets, liabilities and equity for the earlier prior period presented. Company has identified certain items as prior period items during Ind AS application or otherwise. Impact of the same has been given in Note No 45.

##### (C) Expected Credit Loss

During IND AS application, Company has identified certain doubtful debts and created expected credit loss on such debts as per management expectation.

##### (D) Depreciation and Amortisation

Depreciation on Property, Plant and Equipment has been calculated on the carrying values as per previous GAAP only. However, due to change in useful life of lease hold property in terms of Ind AS - 17 which were earlier taken same as useful life of freehold property, the depreciation/amortization amount has been decreased by Rs. 0.077 Mn for FY 16-17 and Rs. 0.07 Mn for FY 17-18. Further, depreciation has decreased by Rs. 0.13 Mn in FY 2015-16 due to prior period item.

##### (E) Borrowing Costs

Under Previous GAAP, transaction costs incurred in connection with borrowings and bank guarantees are amortised upfront and charged to profit or loss for the period. Under Ind AS, transaction costs are included in the initial recognition amount of financial liability and charged to profit or loss using the effective interest method.

##### (F) Revenue

Under previous GAAP, company was not applying the provisions of AS-7 "Construction Contracts", thereby, resulted into short recognition of income. Under Ind AS, in terms of Ind AS - 11 "Construction Contracts", Company recalculated the income and accordingly, effect has been given as above.

##### (G) Deferred Tax

The group has accounted for deferred tax on the various adjustments between Indian GAAP and IND AS at their effective tax rate.

**NOTE – 51**  
**RESTATED CONSOLIDATED STATEMENT OF TAX SHELTER**

(Rs. in million)

Particulars	As At		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
<b>Restated Profits before Current &amp; Deferred Taxes</b>	<b>951.15</b>	<b>337.97</b>	<b>197.13</b>
<b>Tax at Notional Rate</b>	329.17	116.97	68.22
<b>Adjustments:</b>			
Difference between Tax Depreciation and Book Depreciation	2.52	-0.87	-5.77
Other Adjustments	2.25	1.26	-1.16
<b>Net Adjustments</b>	<b>4.77</b>	<b>0.38</b>	<b>-6.93</b>
<b>Tax (Saving)/Liability thereon</b>	<b>1.65</b>	<b>0.13</b>	<b>-2.40</b>
Tax impact on Restated Adjustments other than above	-0.59	-0.47	0.40
<b>Total Taxation</b>	<b>330.23</b>	<b>116.63</b>	<b>66.22</b>
<b>Taxation on Extraordinary Items</b>		<b>0.00</b>	<b>0.00</b>
<b>Tax on Profits before Extraordinary Items</b>	<b>330.23</b>	<b>116.63</b>	<b>66.22</b>

**Note:**

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**NOTE – 52**  
**CONSOLIDATED STATEMENT OF CAPITALISATION**

(Rs. in million)

Particulars	Pre-Issue	Post-Issue*
	As on 31-03-2018	
<b>Debt</b>		
Current Financial Liabilities - Borrowings	166.99	XXXX
Non- Current Financial Liabilities - Borrowings	94.25	XXXX
Current maturities to the long term debts	21.49	XXXX
<b>Total Debt</b>	<b>282.74</b>	<b>XXXX</b>
<b>Shareholder's Fund</b>		
Equity Share Capital	295.00	XXXX
Other Equity	784.85	XXXX
<b>Total Shareholders' Fund (Equity)</b>	<b>1079.85</b>	<b>XXXX</b>
<b>Long Term Debt/Equity</b>	<b>0.09</b>	<b>XXXX</b>
<b>Total Debt/Equity</b>	<b>0.26</b>	<b>XXXX</b>

\*\*\*The corresponding post issue figures are not determinable at this stage pending the completion of public issue due to book building process and hence, have not been furnished.

1. Short term Debts represent which are expected to be paid/payable within 12 months.
2. Long term Debts represent debts other than Short Term Debts as defined above.
3. The figures disclosed are based on restated summary statement of assets and liabilities for the year ended on 31st March, 2018.
4. The Issue is of up to 1,00,00,000 Equity Shares, at an Issue Price of Rs. [●] per Equity Share for cash, including a premium of Rs. [●] per Equity Share, aggregating up to Rs. [●] millions and is being made through the Book Building Process. The Net Issue shall constitute at least 25% of the post-Issue paid up equity share capital of our Company



**NOTE – 53**  
**SUMMARY STATEMENT OF MATERIAL ADJUSTMENTS TO AUDITED CONSOLIDATED IND**  
**AS FINANCIAL STATEMENTS**

(Rs. in million)

Particulars	As on 31-03-2018	As on 31-03-2017	As on 31-03-2016 (Proforma)
<b>Net Profit After Tax as per audited accounts but before adjustments for restated accounts:</b>	<b>6132.70</b>	<b>2182.36</b>	<b>1263.23</b>
Decrease/(Increase) in Loss sale of Fixed Assets	0.00	0.03	0.00
Decrease/(Increase) in Expenses due to Provision of TDS Defaults	0.00	-0.51	-0.04
Decrease/(Increase) in Depreciation as per Companies Act	19.50	3.83	-1.12
Decrease/(Increase) in Deferred Tax Adjustments	-60.46	-9.46	2.24
Decrease/(Increase) in Expenses due to accounting of TDS Payables	0.00	7.59	0.00
Decrease/(Increase) in Expenses due to accounting of Row Charges	0.00	-1.83	0.00
Decrease/(Increase) in Expenses due to Foreign Exchange Fluctuation Adj	0.00	0.00	4.64
Decrease/(Increase) in Expenses due to accounting of VAT Payables	0.00	4.89	-2.30
Decrease/(Increase) in Expenses due to accounting of DDT	0.00	0.00	61.07
Decrease/(Increase) in Expenses due to FD Interest Adj	0.48	-0.48	0.00
Decrease/(Increase) in Expenses due to provision of Interest	3.23	2.94	-2.82
Decrease/(Increase) in Expenses due to Interest Expenses	0.10	-0.23	0.13
Decrease/(Increase) in Expenses due to Adj of TDS Receivables (Misc Deductions)	42.51	0.00	-42.51
Decrease/(Increase) in Expenses due to non-recognition of excess refund of IT as Income	42.07	0.00	0.00
Decrease/(Increase) in Expenses due to provision of ST Liability	0.00	9.10	7.28
<b>Net Increase/ (Decrease)</b>	<b>47.42</b>	<b>15.88</b>	<b>26.57</b>
<b>Profits after Tax as per Restated Accounts</b>	<b>6180.12</b>	<b>2198.24</b>	<b>1289.81</b>

**Notes:****a) Accounting of Depreciation**

During the process of restatement of Accounts, Company has rectified the Depreciation provision which was wrong on account of arithmetical errors and wrong rate of depreciation adopted, and non-Compliance with the requirement of schedule II of the Companies Act, 2013 w.e.f. 1.4.2014 onwards. Further, the same has also impact on profit and loss on sale of fixed asset items during the restatement period. The same has been rectified and accordingly effect thereof has been stated in Table 1 (Statement of Profit and Loss after Tax).

**b) Adjustment on account of Provision of Deferred Tax:**

Due to changes in Depreciation and Provision for Gratuity, Disallowances, etc, the Company has recalculated the deferred tax liability and deferred tax assets at the rate of normal Tax rate applicable at the end of relevant year/period.

**c) Capitalization of Expenses**

During the period of restatement, the Company has identified some items expenses on account of foreign exchange fluctuations on purchase of fixed assets which had to be capitalized with the of value of corresponding fixed assets. The same has been rectified and accordingly effect thereof has been stated in Table 1 (Statement of Profit and Loss after Tax).

During the period of restatement, the Company has identified some TDS defaults as per Traces. The same has been provided for in restated financials and accordingly effect thereof has been stated in Table 1 (Statement of Profit and Loss after Tax).

**d) Accounting of TDS Paid, VAT Paid, Row Charges, Mis Deductions, Service Tax Paid.**

During the period of restatement, the Company has shifted / Adjusted / bifurcated, expense accounted for in a particular year to their respective year to which they relate. The same has been rectified and accordingly effect thereof has been stated in Table 1 (Statement of Profit and Loss after Tax).

**e) Non-recognition of excess Income-tax Refund as Income**

During the period of restatement, the Company has identified an amount of Rs. 4.21 million of Income-tax refund which it received from Income-tax Department in excess of what they are claimed in their books of account. The same has been rectified and accordingly effect thereof has been stated in Table 1 (Statement of Profit and Loss after Tax).

**f) Accounting of Dividend Distribution Tax**

During the period of restatement, the Company has identified that dividend distribution tax paid by company has been shown in the statement of profit and loss instead of debiting the same in the reserves and surpluses in terms of guidance issued by the Institute of Chartered Accountants of India. The same has been rectified and accordingly effect thereof has been stated in Table 1 (Statement of Profit and Loss after Tax).

**g) Provision of Interest Expenses and other adjustments**

During the period of restatement, the Company has identified that it was not making provisions in respect of interest expenses as per repayment schedules of the respective loan. The interest was accounted for as and when it was paid only. The same has been rectified and accordingly effect thereof has been stated in Table 1 (Statement of Profit and Loss after Tax).

**ANNEXURE - IA**  
**RESTATED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES**

(Rs. in million)

Particulars	As At	
	NOTE	31-03-2015
<b>I. EQUITY AND LIABILITIES</b>		
<b>Shareholder's Funds</b>		
Share Capital	1A	2.50
Reserves and Surplus (excl. Revaluation Reserves, if any)	2A	194.43
Money received against share warrants		0.00
Minority Interest		
<b>Non-Current Liabilities</b>		
Long-term Borrowings	3A	31.73
Deferred tax liabilities (Net)	4A	3.12
Other Long Term Liabilities	5A	307.28
Long-term Provisions	6A	1.60
<b>Current Liabilities</b>		
Short-term Borrowings	7A	69.87
Trade Payables	8A	114.28
Other Current Liabilities	9A	83.68
Short-term Provisions	10A	0.45
<b>Total</b>		<b>808.94</b>
<b>II. ASSETS</b>		
<b>Non-Current Assets</b>		
Fixed assets		
(i) Tangible Assets	11A	331.98
(ii) Intangible Assets	12A	0.24
(iii) Capital Work-In-Progress		24.93
(iv) Intangible Assets Under Development		0.00
Non-Current Investments	13A	0.01
Deferred Tax Assets (Net)	4A	
Long-term Loans and Advances	14A	91.14
Other Non-Current Assets		
<b>Current Assets</b>		
Current Investments		
Inventories	15A	26.85
Trade Receivables	16A	238.06
Cash and Cash Equivalents	17A	59.22
Short-term Loans and Advances	18A	36.50
Other Current Assets	19A	0.00
<b>Total</b>		<b>808.94</b>

**Note:** The above statement should be read with the significant accounting policies and notes to restated consolidated summary profits and losses and cash flows appearing in Annexures IV, II and III.

**ANNEXURE - IIA**  
**RESTATED CONSOLIDATED STATEMENT OF PROFIT AND LOSS**

(Rs. in million)

	Particulars	Note	For the Year ended 31-03-2015
<b>I</b>	Revenue from Operations	20A	508.88
<b>II</b>	Other Incomes	21A	2.67
<b>III</b>	<b>Total Income (I+II)</b>		<b>511.55</b>
	<b>Expenses:</b>		
	Operational Expenses	22A	283.71
	Purchase of Stock-in-Trade	23A	31.26
	Changes in Inventories of finished goods, Stock-in-Trade and work-in-progress	24A	-0.10
	Employee Benefits Expenses	25A	23.77
	Finance Costs	26A	16.03
	Depreciation And Amortization Expense	27A	41.01
	Administrative and Other Expenses	28A	15.64
	<b>Total Expenses (IV)</b>		<b>411.30</b>
<b>V</b>	Profit/(loss) before exceptional items and tax (I-IV)		100.25
<b>VI</b>	Exceptional Items	29A	0.00
<b>VII</b>	<b>Profit/(loss) before tax (V-VI)</b>		<b>100.25</b>
<b>VIII</b>	<b>Tax Expense</b>		
	- Current Tax		30.39
	- Deferred Tax Liability / (Asset)		0.37
	Interest on Income Tax		0.00
<b>IX</b>	<b>Restated profit/(loss) after tax for the period from continuing operations</b>		<b>69.49</b>
<b>X</b>	Share of Profits in Associates		-0.50
<b>XI</b>	Minority Interest		0.00
<b>XII</b>	<b>Restated Profit/(loss) for the period</b>		<b>68.99</b>

**Note:** The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, and cash flows appearing in Annexures IV, I and III.

**ANNEXURE - IIIA**  
**RESTATED CONSOLIDATED CASH FLOW STATEMENT**

(Rs. in million)

Particulars	For the Year ended
	31-03-2015
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	
Net Profit before tax	100.25
Adjustment for :	
Less: Interest on Fixed Deposit	-2.56
Less: Loss on Sale of Fixed Assets	0.00
Add: Provision for Interest Expenses	0.31
Add: Depreciation	41.01
Add: Provision of Gratuity	0.69
Add: Provision for Leave Encashment	0.20
Add: Interest on Borrowed Fund & Finance Charges	12.04
<b>Operating profit before working capital changes</b>	<b>151.93</b>
Adjustment for :	
(Increase)/Decrease in Inventories	-0.10
(Increase)/Decrease in Trade Receivables	-150.82
(Increase)/Decrease in Short Term loans and advances	-26.74
(Increase)/Decrease in Other Current Assets	0.00
Increase/(Decrease) in Trade Payables	72.19
Increase/(Decrease) in Short Term Borrowings	6.41
Increase/(Decrease) in Other Current Liabilities	21.58
Increase/(Decrease) in Short Term Provisions	0.00
	<b>-77.49</b>
<b>Cash generated from / (used in) operations</b>	<b>74.44</b>
Income Tax Paid/(refund)	14.08
<b>Net cash generated from/(used in) operating activities - (A)</b>	<b>60.36</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>	
Purchase of Fixed Assets	-179.65
Increase in Capital Work-in-Progress	-22.32
Sale of Fixed Assets	0.00
Interest Income on Fixed Deposit	2.56
Increase/Decrease in Current Investments	0.00
Increase in non-current investments	-0.50
Increase /Decrease in Fixed Deposits against Margin Money	-5.83
(Increase)/Decrease in Long Term Loans and Advances	-0.62
<b>Net cash (used in) Investing Activities - (B)</b>	<b>-206.36</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	
Receipts from Increase of Share Capital	0.00
Payment of Dividends	0.00
Payment of Dividend Distribution tax	0.00
Repayment of Long Term Borrowings	17.06
Increase/Decrease in Long Term Liabilities	168.94
Interest & Finance Charges	-12.04
<b>Net cash(used in) / from financing activities - (C)</b>	<b>173.96</b>
Net Increase/(decrease) in Cash & Cash Equivalents (A+B+C)	27.96
Cash and cash equivalents at the beginning of the year	1.20
<b>Cash and cash equivalents at the end of the year</b>	<b>29.16</b>
Cash and cash equivalents at the end of year comprises :	
1. Components of cash and cash equivalents:	
<b>Particulars</b>	<b>31-03-2015</b>
Cash on hand	4.97
Balances with scheduled banks:	
In current accounts	24.19
<b>Total Cash and cash equivalents</b>	<b>29.16</b>

**Notes: -**

1. The Cash Flow Statement has been prepared under indirect method as set out in Accounting Standard -3 on Cash Flow Statement, specified under the Companies Act, 1956 (which are deemed to be applicable as Section 133 of the Companies Act, 2013 (“the Act”) read with Rule 7 of Companies (Accounts) Rules, 2014).
2. Figures in Brackets or figures with "-" represents outflow.
3. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses as appearing in Annexures IV, I and II.

## ANNEXURE IV

### RESTATED CONSOLIDATED SUMMARY STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES

#### A. Basis and Principles of Consolidation

- The Consolidated Financial Statements relate to **Dinesh Engineers Limited** (“the Company”), its subsidiaries and associates. The Consolidated Financial Statements have been prepared in accordance with Accounting Standard 21 (AS 21) “Consolidated Financial Statements” notified by the Companies (Accounting Standard) Rules, 2014. The Consolidated Financial Statements have been prepared on the following basis:

**Subsidiary Companies: NIL**

**Associate Companies:**

The financial statements of the Company and its Associates are consolidated using the equity method as per Accounting Standard – 23. The Equity method is a method of accounting whereby the investment is initially recorded at cost, identifying any goodwill/capital reserves arising at the time of acquisition. The carrying amount of investment is adjusted thereafter for the post acquisition change in the investor’s share of net assets of the investee.

The financial statements of the associates are drawn up to recording date.

- The associates (which along with Dinesh Engineers Limited, the parent, constitute the group) considered in the presentation of these Consolidated Financial Statements are:

S.N.	Name of Company	Relationship	Country of Incorporation	Proportion of Ownership Interest
1.	Vaviya Developers Private Limited	Associate	India	25%

#### B. Significant Accounting Policies

##### (1) Basis of preparation

The Restated Consolidated Summary Statement of Assets and Liabilities of the Company in Annexure IA as at 31 March 2015 and the Restated Summary Statement of Profit and Loss in Annexure IIA and the Restated Summary Statement of Cash Flows in Annexure IIIA for the years ended 31 March 2015 along with Notes (collectively referred to as the “Restated Consolidated Summary Financial Information”) have been prepared specifically for the purpose of inclusion in the offer document to be filed by the Company with the Securities and Exchange Board of India (“SEBI”), Registrar of Companies (“ROC”) and relevant stock exchange/s, as may be required in connection with the proposed Initial Public Offering (“IPO”).

The Restated Consolidated Summary Financial Information have been extracted by the management from audited financial statements of the Company for respective year (“Financial Statements”), after applying necessary adjustments. The Financial Statements comprise of the Balance Sheet as at period/year end, the Statement of Profit and Loss, the Cash Flow Statement for the period/year then ended, and a summary of significant accounting policies and other explanatory information.

The Financial Statements were prepared and presented under the historical cost convention using the accrual system of accounting in accordance with the generally accepted accounting principles in India (“Indian GAAP”) and the requirements of the Companies Act, 1956 (up to 31 March 2014), and notified Sections, Schedules and Rules of the Companies Act, 2013 (with effect from 01 April 2014) (“the Act”), including the Accounting Standards as prescribed by Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, to the extent applicable.

The accounting policies have been consistently applied by the Company to the period/years presented in the Restated Consolidated Summary Financial Information. The Restated Consolidated Summary Financial Information of the Company have been prepared to comply in all material respects with the requirements of

Chapter III to the Act and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time.

Appropriate re-classifications/ adjustments have been made in the Restated Consolidated Summary Financial Information wherever required, by re-classification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the presentation and recognition as per the Financial Statements of the Company and the requirement of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time.

The Restated Consolidated Summary Financial Information are presented in Indian rupees (in million), unless otherwise stated.

## **(2) Use of Estimates**

The preparation of these Restated Consolidated Financial Information in conformity with Indian GAAP requires the Management to make judgments, estimates and assumptions that effect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in current and future periods.

## **(3) Current and Non-Current Classification**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

### **Assets**

An asset is classified as current when it satisfies any of the following criteria:

- a. it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b. it is held primarily for the purpose of being traded;
- c. it is expected to be realized within 12 months after the reporting date; or
- d. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

### **Liabilities**

A liability is classified as current when it satisfies any of the following criteria:

- a. it is expected to be settled in the Company's normal operating cycle;
- b. it is held primarily for the purpose of being traded;
- c. it is due to be settled within 12 months after the reporting date; or
- d. the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current assets/ liabilities include the current portion of non-current assets/ liabilities respectively. All other assets/ liabilities are classified as non-current.

### **Operating cycle**

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company considers its operating cycle to be within one year.

## **(4) Property, Plant and Equipment and Depreciation thereon**

### **a) Property, Plant and Equipment**

Property, plant and equipment are carried at cost of acquisition or construction less accumulated depreciation and/ or accumulated impairment loss, if any. The cost of an item of Property, plant and equipment comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.



Subsequent expenditures related to an item of Property, plant and equipment are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

A Property, plant and equipment is eliminated from the Financial Statements on disposal or when no further benefit is expected from its use and disposal.

Losses arising from retirement or gains or losses arising from disposal of Property, plant and equipment which are carried at cost are recognized in the Statement of Profit and Loss.

Intangible assets are stated at acquisition cost, Net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a straight line basis over their estimated useful lives in accordance with the provisions of Accounting Standard (AS) – 26 “Intangible Assets” issued by the Institute of Chartered Accountants of India.

#### **b) Depreciation**

Till the year ended 31 March 2014, depreciation on Property, plant and equipment other than leasehold improvements was provided for on a written down value method (WDV) at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956. Depreciation in respect of Property, plant and equipment acquired during the year whose actual cost does not exceed Rs. 5,000 has been provided at 100%.

After the applicability of Schedule II of the Companies Act, 2013, with effect from 01 April 2014, depreciation on Property, plant and equipment is provided for on a written down value method at the rates prescribed in Schedule II to the Companies Act, 2013.

Depreciation on Property, plant and equipment sold, discarded or demolished during the year, if any, is being provided pro-rata up to the date on which such Property, plant and equipment are sold, discarded or demolished.

Pursuant to the Act being effective from 01 April 2014, the Company has revised depreciation rates on certain Property, plant and equipment as per the useful life specified in Part 'C' of Schedule II to the Act. As a result of this change, the depreciation charge for the year ended 31 March 2015 is higher by an amount of Rs. 0.12 million in respect of Property, plant and equipment whose useful life is already exhausted as on 01 April 2014 has been adjusted from retained earnings.

Cost of Property, plant and equipment not ready for use as at the Balance Sheet date are disclosed as capital work-in-progress.

### **(5) Revenue Recognition**

#### **(a) Service Income**

- (i) Revenue is recognized to the extent that it is possible that the economic benefits will flow to the company and the revenue can be reliably measured with reliable certainty of realizing the consideration. Sales exclude all type of taxes such as excise duty, sales tax, value added tax or Goods and Service Tax, etc. charged to the customers.
- (ii) Revenue from right to use the fibre capacity provided based on IRU are recognized over the period of such arrangements.
- (iii) Revenue from the contract is recognized on percentage completion method by reference to the physical completion of the work. The Company raises the running bills on their customers as stipulated in the terms and conditions mentioned in the contract. However, on the basis of physical completion of the contract obtained from the survey by the technical consultants, any excess or shortfall in revenue is recognized as “Unbilled Revenue”.

#### **(b) Interest Income**

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

#### **(c) Dividend Income**

**Dividend income** is recognized when right to receive the payment is established.

### **(6) Investments**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

**(7) Foreign Currency Transactions**

Transaction denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction and any income or expenses on account of exchange difference either on settlement or on translation is recognized in the Statement of profit and Loss except in case where they relate to acquisition of fixed assets, are adjusted with the carrying cost of such assets.

**(8) Employee Benefits**

**(a) Short term employee benefits**

All employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service is rendered by employees.

**(b) Post-employment Benefits**

**(i) Defined Contribution Plans**

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Employer makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. The Employer's contribution is recognized as an expense in the Restated Consolidated Summary Statement of Profit and Loss during the period in which the employee renders the related service.

**(ii) Defined benefit plans**

The Company's gratuity scheme is a defined benefit plan. The present value of obligation under such defined benefit plan is determined based on actuarial valuation carried at the period/year end using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date.

**(iii) Compensated absences**

The employees can carry-forward a portion of the unutilized accrued compensated absences and utilize it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

**(iv) Termination benefits**

Termination benefits are recognized as an expense when, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

**(9) Accounting for Taxes on Income**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount that are enacted or substantively enacted, at the reporting date.

(i) Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

(ii) Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

**(10) Earnings Per Share:**

In determining the Earnings Per share, the company considers the net profit after tax which does not include any post tax effect of any extraordinary / exceptional item. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period.

The number of shares used in computing Diluted earnings per share comprises the weighted average number of shares considered for computing Basic Earnings per share and also the weighted number of equity shares that would have been issued on conversion of all potentially dilutive shares.

In the event of issue of bonus shares, or share split the number of equity shares outstanding is increased without an increase in the resources. The number of Equity shares outstanding before the event is adjusted for the proportionate change in the number of equity shares outstanding as if the event had occurred at the beginning of the earliest period reported.

**(11) Provisions, contingent liabilities and contingent assets**

A provision is created when there is a present obligation as a result of a past event and it is more likely than not that there will be an outflow of resources embodying economic benefits to settle such obligation and the amount of such obligation can be reliably estimated. Provisions are not discounted to its present value and are determined based on the management's best estimate of the amount of obligation required at the period/year end. These are reviewed at each Balance Sheet date and adjusted to reflect current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that have arisen from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of future events not wholly within the control of the Company. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

The Company does not recognize assets which are of contingent nature until there is virtual certainty of reliability of such assets. However, subsequently, if it becomes virtually certain that an inflow of economic benefits will arise, asset and related income is recognized in the Financial Statements of the period in which the change occurs.

**(12) Impairment of Assets**

The company assesses, at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's (including goodwill) recoverable amount is the higher of an asset's net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

After impairment, depreciation/ amortization is provided on the revised carrying amount of the asset over its remaining useful life.

**(13) Borrowing Costs**

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

**(14) SEGMENT REPORTING**

**Business Segment**

- (a) The business segment has been considered as the primary segment.
- (b) The Company's primary business segments are reflected based on principal business activities, the nature of service, the differing risks and returns, the organization structure and the internal financial reporting system.
- (c) The Company's primary business comprises of communication infrastructure services and since it is the only reportable segment as envisaged in Accounting Standard 17 'Segment Reporting'. Accordingly, no separate disclosure for Segment reporting is required to be made in the financial statements of the Company.

**(i) Geographical Segment**

The Company operates in one Geographical Segment namely "within India" and hence no separate information for geographic segment wise disclosure is required.

**C. CHANGES IN ACCOUNTING POLICIES IN THE PERIODS/YEARS COVERED IN THE RESTATED FINANCIALS**

There is change in significant accounting policies adopted by the Company, the details of which are as under:

The Company has not been following the provisions of Accounting Standard – 15 "Employee Benefits" issued by the Institute of Chartered Accountants of India for provision for Gratuity and accordingly, the provision of gratuity has not been accounted for by the management in books of account for the FY 2014-15.

In restated Consolidated Financial statements, the Company has complied with the provisions of Accounting Standard – 15 "Employee Benefits".

**D. CHANGE IN ACCOUNTING ESTIMATES**

**a. Useful lives/depreciation rates**

Till the year ended 31 March 2014, depreciation rates prescribed under Schedule XIV were treated as minimum rates and the Company was not allowed to charge depreciation at lower rates even if such lower rates were justified by the estimated useful life of the asset. Schedule II Part C to the 2013 Act prescribes useful lives for property, plant and equipment which, in many cases, are different from the useful lives prescribed under the erstwhile Schedule XIV. However, Schedule II allows companies to use higher/ lower useful lives and residual values if such useful lives and residual values can be technically supported and justification for difference is disclosed in the financial statements.

Considering the applicability of Schedule II, the management has re-estimated useful lives and residual values of all its property, plant and equipment. The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of property, plant and equipment, though these rates in certain cases are different from lives prescribed under Schedule II there is no material impact of the same.

In Restated financials the Company has calculated the depreciation based on the rates given in Schedule XIV of the Companies Act, 1956 till 31.03.2014 and after 31.03.2014 based on the rates given in Schedule II of the Companies Act, 2013. In respect of assets whose useful life had already exhausted as on 1 April 2014, has been adjusted in Reserves and Surplus in accordance with requirements of Para 7 of Part C of Schedule II of the Act. Such assets which do not have useful life as on 01.04.2014 were having WDV Rs. 0.12 million.

**b. Component accounting:**

During the previous year i.e., with effect from 1 April 2014, the Company has adopted component accounting as required under Schedule II to the Companies Act, 2013. The Company was previously not identifying components of property, plant and equipment separately for depreciation purposes; rather, a single useful life/ depreciation rate was used to depreciate each item of property, plant and equipment.

Due to application of Schedule II to the 2013 Act, the Company has changed the manner of depreciation for its property, plant and equipment. Now, the Company identifies and determines cost of each component/part of the asset separately, if the component/part has a cost which is significant to the total cost of the asset having useful life that is materially different from that of the remaining asset. These components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset. However, it does not have any impact on the Restated Unconsolidated Summary Statement of Profit and Loss for the year ended 31 March 2015. The aforesaid policy has been consistently applied by the Company during the current year.

**E. NOTES ON THE RESTATED FINANCIALS**

- (1) The financial statements including financial information have been prepared after making such regroupings and adjustments, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial statements/information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.
- (2) The Company does not have information as to which of its supplier are Micro small and Medium Enterprise registered under The Micro small and Medium Enterprise Development Act 2006. Consequently the liability, if any, of interest which would be payable under The Micro small and Medium Enterprise Development Act 2006 cannot be ascertained. However, the Company has not received any claims in respect of such interest and as such, no provision has been made in the books of accounts.
- (3) **Employee benefits (Accounting Standard – 15 “Employee Benefits”)**  
The Company has adopted the Accounting Standard 15 (revised 2005) on Employee Benefits as per an actuarial valuation carried out by an independent actuary in restated financials. The disclosures as envisaged under the standard are as under:-

Disclosure in respect of Gratuity:

(in Rs. million)

Particulars	2014-15
<b>1.The amounts recognized in the Balance Sheet are as follows:</b>	
Present value of obligations Recognized	1.51
<b>Net Liability</b>	1.51
<b>2.The amounts recognized in the Profit &amp; Loss A/c are as follows:</b>	
Current Service Cost	0.25
Interest on Defined Benefit Obligation	0.06

Net Actuarial Losses/(Gains) Recognized in Year Past Service Cost	0.38
Total, Included in "Salaries & Allowances"	<b>0.69</b>
<b>3.Changes in the present value of defined benefit obligation:</b>	
Defined benefit obligation as at the beginning of the year/period	0.82
Service cost	0.25
Interest cost	0.06
Actuarial Losses/(Gains)	0.38
Past Service Cost	
<b>Defined benefit obligation as at the end of the year/period</b>	<b>1.51</b>
<b>Benefit Description</b>	
Benefit type:	Gratuity Valuation as per Act
Retirement Age:	60 years
Vesting Period:	5 years
<b>The principal actuarial assumptions for the above are:</b>	
Future Salary Rise:	5.00%P.A
Withdrawal Rate:	5.00%P.A
Discount rate per annum:	7.50%P.A
Mortality Rate:	IALM 2006-08

**(4) Segment Reporting (AS 17)**

The Company is required to disclose the information required by Accounting Standard- 17. No separate segments have, however, been reported as the company does not have more than one business Segment within the meaning of Accounting standard -17, which differ from each other in risk and reward.

**(5) Provisions, Contingent Liabilities and Contingent Assets (AS 29)**

Contingent liabilities and commitments (to the extent not provided for). There are no contingent liabilities except as mentioned in Note – 31A, for any of the years covered by the statements.

**(6) Related Party Disclosure (AS 18)**

Related party transactions are reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended, in the Note – 30A of the enclosed financial statements.

**(7) Accounting for Taxes on Income (AS 22)**

Deferred Tax liability/Asset in view of Accounting Standard – 22: "Accounting for Taxes on Income" as at the end of the year/period is reported as under:

**CALCULATION OF DTA/DTL****(Rs. in million)**

<b>Particulars</b>	<b>31-03-2015</b>
<b>Deferred Tax Liability</b>	
Net WDV as Per Companies Act	332.22
Net WDV as per Income Tax Act	318.85
Timing Difference Due to Depreciation	13.37
<b>Deferred Tax Liability (A)</b>	<b>4.34</b>
Incremental Due to Depreciation	0.66
Gratuity Provisions Accumulated	1.51
Leave Encashment Provisions Accumulated	0.2
Disallowance u/s 43B of Income-tax Act, 1961	2.06
Timing Differences Due to Gratuity/Leave Encashment/43B/Others	3.77
<b>Deferred Tax Assets (B)</b>	<b>1.22</b>
Incremental Due to Gratuity/Leave Encashment/43B/Others	0.29
Cumulative Balance of Deferred Tax Liability/(Deferred Tax Assets) (A-	3.12

B)	
<b>Opening Deferred Tax Liability</b>	2.75
<b>Debited/(Credit) to Restated Statement of Profit and Loss Account</b>	0.37

**Earnings Per Share (AS 20):**

Earnings per Share have been calculated and already reported in the Notes of the enclosed financial statements.

**(8) Realizations:**

In the opinion of the Board and to the best of its knowledge and belief, the value on realization of current assets, loans and advances will, in the ordinary course of business, not be less than the amounts at which they are stated in the Balance sheet.

**(9) Contractual liabilities**

All other contractual liabilities connected with business operations of the Company have been appropriately provided for.

**(10) Amounts in the financial statements**

Amounts in the financial statements are rounded off to nearest Rupees in million. Figures in brackets indicate negative values.

**(11) MATERIAL ADJUSTMENTS [AS PER SEBI (ICDR) REGULATIONS, 2009]**

Appropriate adjustments have been made in the restated financial statements, whenever required, by reclassification of the corresponding items of assets, liabilities and cash flow statement, in order to ensure consistency and compliance with requirement of Company Act 1956, and as replaced by Company Act 2013 after 01<sup>st</sup> April 2014 and Accounting Standards.

The Summary of results of restatements made in the audited financial statements of the Company for the respective period / years and their impact on the profit / (loss) and assets and liabilities of the Company is as under.

**Statement of adjustments in the Financial Statements**

The reconciliation of Profit after tax as per audited results and the Profit after tax as per Restated Accounts is presented below in Table-1. This summarizes the results of restatements made in the audited accounts for the year and its impact on the profit & loss of the company.

(Rs. In million)	
Particulars	31-03-2015
<b>Net Profit After Tax as per audited accounts but before adjustments for restated accounts:</b>	64.22
Decrease/(Increase) in Depreciation as per Companies Act	0.11
Decrease/(Increase) in DTL	0.14
Decrease/(Increase) in Expenses due to accounting of TDS Payables	-0.03
Decrease/(Increase) in Expenses due to Gratuity Expenses	-0.69
Decrease/(Increase) in Expenses due to Leave Encashment Expenses	-0.2
Decrease/(Increase) in Expenses due to accounting of Row Charges	0.18
Decrease/(Increase) in Expenses due to accounting of VAT Payables	-0.03
Decrease/(Increase) in Expenses due to VAT Expenses	6.01
Decrease/(Increase) in Expenses due to provision of Interest	-0.31
Decrease/(Increase) in Expenses due to provision of ST Liability	-0.42
<b>Net Increase/ (Decrease)</b>	4.76
<b>Profits after Tax as per Restated Accounts</b>	<b>68.99</b>

**a) Adjustment on account of provision for Gratuity:**

The Company did not provide gratuity based on the requirement of AS -15 (Revised), therefore during the restatement, provision for gratuity have been done as per the actuarial valuation and accordingly



short/excess provisions in respective year/period were adjusted to comply with the requirement of AS-15 (Revised).

**b) Accounting of Depreciation**

During the process of restatement of Accounts, Company has rectified the Depreciation provision which was wrong on account of arithmetical errors and wrong rate of depreciation adopted, and non-Compliance with the requirement of schedule II of the Companies Act, 2013 w.e.f. 1.4.2014 onwards. Further, the same has also impact on profit and loss on sale of fixed asset items during the restatement period. The same has been rectified and accordingly effect thereof has been stated in Table 1 (Statement of Profit and Loss after Tax).

**c) Adjustment on account of Provision of Deferred Tax:**

Due to changes in Depreciation and Provision for Gratuity, Disallowances, etc, the Company has recalculated the deferred tax liability and deferred tax assets at the rate of normal Tax rate applicable at the end of relevant year/period.

**d) Accounting of TDS Paid, VAT Paid, Row Charges, Mis Deductions, Service Tax Paid.**

During the period of restatement, the Company has shifted / Adjusted / bifurcated, expense accounted for in a particular year to their respective year to which they relate. The same has been rectified and accordingly effect thereof has been stated in Table 1 (Statement of Profit and Loss after Tax).

**e) Provision of Interest Expenses and other adjustments**

During the period of restatement, the Company has identified that it was not making provisions in respect of interest expenses as per repayment schedules of the respective loan. The interest was accounted for as and when it was paid only. The same has been rectified and accordingly effect thereof has been stated in Table 1 (Statement of Profit and Loss after Tax).

**For Mansaka Ravi & Associates**  
**Chartered Accountants**  
**FRN 015023C**  
**PRC No. 008582**

**Ravi Mansaka, FCA**  
**Partner**  
**Membership No. 410816**  
**Date: 05-09-2018**  
**Place: Jaipur**



**NOTE-1A**  
**RESTATED CONSOLIDATED STATEMENT OF SHARE CAPITAL**

(Rs. in million)

Particulars	As At
	31-03-2015
<b>(a) Number and Amount of Authorised Share Capital</b>	
Number of Equity Share of Rs. 10 each	2.00
<b>Total Authorised Equity Capital</b>	<b>20.00</b>
Number of Preference Share of Rs. 10 each	
<b>Total Authorised Preference Capital</b>	<b>0.00</b>
<b>Total Authorised Share Capital</b>	<b>20.00</b>
<b>(b) Issued, Subscribed &amp; Paid-up Capital</b>	
Equity Share Capital	2.50
Preference Share Capital	0.00
Total	2.50
<b>(c) Reconciliation of Number of Shares outstanding at the beginning and at the end of the reporting period</b>	
Opening number of equity shares outstanding	0.25
Add: Equity Shares issued during the year	0.00
Add: Bonus Shares issued during the year	0.00
Closing Number of Equity Shares Outstanding	0.25

**(d) The rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital:**

- (i) The Company has one class of Equity shares having a par value of Rs. 10 per share. Each Shareholder is eligible for one vote per share held.
- (ii) All Equity Shareholders are eligible to receive dividends in proportion to their shareholdings.
- (iii) The dividends proposed by the Board of Directors are subject to the approval of the Shareholders in the ensuing Annual General Meeting.
- (iv) In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding.
- (iv) In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding.

**(e) Shareholders holding more than 5% of shares of the Company**

Name of Shareholder	31-03-2015
Dinesh Kollaiah Kargal	0.14
Shashikala Dinesh Kargal	0.11

**(f) As the company is not a subsidiary of any Company, its shares are not held by any holding or ultimate holding company.**

**(g) There are no shares reserved for issue under options and contracts or commitments for the sale of shares or disinvestment.**

**(h) There are no shares which were allotted pursuant to contracts without payment being received in cash.**

**(j) There are no securities which are convertible into equity/preference shares.**

**(k) There are no calls which are unpaid.**

**Note:**

- The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- The above statement should be read with the significant accounting policies and notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**NOTE-2A**  
**RESTATED CONSOLIDATED STATEMENT OF RESERVES & SURPLUS**

(Rs. in million)

Particulars	As At
	31-03-2015
<b>(a) Securities Premium Reserve</b>	
Balances at the beginning of the reporting period	0.00
Changes in accounting policy or prior period errors	
Restated balance at the beginning of the reporting period	0.00
Securities Premium received during the year	
Any other Change (to be specified)	0.00
<b>Balance at the end of the reporting period</b>	<b>0.00</b>
<b>(b) Retained Earnings</b>	
Balances at the beginning of the reporting period	125.57
Changes in accounting policy or prior period errors	
Restated balance at the beginning of the reporting period	125.57
Add: Profit/(Loss) during the year as per P&L account	68.99
Less: Dividends Distributed During the Year	0.00
Less: Dividend Distribution Tax	0.00
Less: Capitalisation of Profits by issue of Bonus Shares	
Less: Transitional Adjustment due to change in depreciation rates and methods as per Companies Act, 2013.	0.13
Balance at the end of the reporting period	194.43
<b>TOTAL OF RESERVES &amp; SURPLUSES</b>	<b>194.43</b>

**Note:**

1. The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.
2. Company is not having any Revaluation Reserve.
3. The above statement should be read with the significant accounting policies and notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**NOTE - 3A**  
**RESTATED CONSOLIDATED STATEMENT OF LONG TERM BORROWINGS**  
(Rs. in million)

Particulars	As At
	31-03-2015
<b>Secured Loans</b>	
(a) Bonds or debentures;	
(b) Term Loans	
(i) from Banks;	2.13
(ii) from other parties (NBFC's)	1.09
(c) Deferred payment liabilities	
(d) Deposits;	
(e) Loans and advances from Related Parties;	
(f) Long term maturities of finance lease obligations	
(g) Other Loans and advances	
<b>Unsecured Loans</b>	
(a) Term Loans	
(i) from Banks;	5.77
(ii) from other parties (NBFC's)	5.52
(b) Loans and advances from Related Parties;	17.22
<b>Total</b>	<b>31.73</b>

Notes:

- 1.The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.
- 3.List of persons/entities classified as 'Related Parties' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

**NOTE 3(A)(a)****RESTATED CONSOLIDATED STATEMENT OF TERMS & CONDITIONS OF UNSECURED LOANS**

A) Details of Unsecured Loans outstanding as at the end of the latest Reporting period from Directors/Promoters/Group Companies and others

Unsecured Loans from Directors/Promoters/Group Companies and other Companies are repayable on demand and as per rate of interest as mentioned below: -

(Rs. in million)

Name of Lender	Purpose	Rate of interest	Re-Payment Terms	As on 31-03-2015
<b>(A)From Related parties</b>				
Dinesh KK	Business	0%	Monthly	9.71
Shashikala	Business	0%	Monthly	7.51
<b>Total (A)</b>				<b>17.22</b>
<b>(B) Loan From Others</b>				
Deutsche Bank	Business	13.65%	Monthly	4.27
Capital First Ltd	Business		Monthly	2.46
ICICI	Business	16.49%	Monthly	2.45
Ratnakar Bank Ltd	Business	18%	Monthly	2.87
Shriram City Union Finance Ltd	Business	9.10%	Monthly	1.27
Standard Chartered Bank	Business		Monthly	5.80
Magma Fincorp Ltd	Business	18%	Monthly	2.23
Religare Finvest Ltd	Business		Monthly	2.62
Edleweiss Retail Finance Ltd	Business	18%	Monthly	3.12
<b>Total (B)</b>				<b>27.09</b>
<b>Grand Total (A+B)</b>				<b>44.31</b>

**Notes:**

- 1.The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2.The above statement should be read with the significant accounting policies and notes to restated summary, statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**NOTE - 4A****RESTATED CONSOLIDATED STATEMENT OF DEFERRED TAX (ASSETS) / LIABILITIES**

(Rs. in million)

Particulars	31-03-2015
<b>Opening Balance (A)</b>	
Opening Balance of Deferred Tax (Asset) / Liability	2.75
<b>Current Year Provision (B)</b>	
(DTA) / DTL on Depreciation	0.66
(DTA) / DTL on Provision for Gratuity/Leave Encashment/Disallowances	0.29
<b>Closing Balance of Deferred Tax (Asset) / Liability (A+B)</b>	<b>3.12</b>

**NOTE - 5A**  
**RESTATED CONSOLIDATED STATEMENT OF OTHER LONG TERM LIABILITIES**

(Rs. in million)

PARTICULARS	As At
	31-03-2015
Perceived Income (Deferred Income)	307.28
<b>Total</b>	<b>307.28</b>

**Notes**

- 1.The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**NOTE-6A**  
**RESTATED CONSOLIDATED STATEMENT OF OTHER LONG TERM PROVISIONS**

(Rs. in million)

PARTICULARS	As At
	31-03-2015
Provision For Gratuity	1.41
Provision for Leave Encashment	0.19
<b>Total</b>	<b>1.60</b>

**Notes**

- 1.The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**NOTE-7A**  
**RESTATED CONSOLIDATED STATEMENT OF SHORT TERM BORROWINGS**

(Rs. in million)

Particulars	As At
	31-03-2015
<b>Secured</b>	
(a) Loans Repayable on Demand	
(i) from Banks;	69.87
(ii) from other parties	0.00
(b) Loans and advances from Related Parties;	0.00
(c) Deposits	0.00
(d) Others Loans and advances	0.00
<b>Unsecured</b>	
(a) Loans Repayable on Demand	
(i) from Banks;	0.00
(ii) from other parties	0.00
(b) Loans and advances from Related Parties;	0.00
(c) Deposits	0.00
(d) Others Loans and advances	0.00
<b>Total</b>	<b>69.87</b>

**Notes:**

- 1.The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the significant accounting policies and notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.
3. List of persons/entities classified as 'Promoters' and 'Promoter Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

**NOTE-8A**  
**RESTATED CONSOLIDATED STATEMENT OF TRADE PAYABLES**

PARTICULARS	(Rs. in million)
	As At 31-03-2015
<b>Trade Payables</b>	
Sundry creditors for Sub-Contracts	107.75
Sundry creditors for Purchases	6.53
<b>Total</b>	<b>114.28</b>

**Notes**

1. The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.
3. Amount due to entities covered under Micro, Small and Medium Enterprises as defined in the Micro, Small, Medium Enterprises Development Act, 2006, have been identified on the basis of information available with the Company. There was no amount due to any such entities which needs to be disclosed separately.

**NOTE- 9A**  
**RESTATED CONSOLIDATED STATEMENT OF OTHER CURRENT LIABILITIES**

PARTICULARS	(Rs. in million)
	As At 31-03-2015
Current Maturity of Long Term Borrowings	17.40
Pre received Income (Current Liabilities of deferred income)	54.23
Sundry creditors for Capital Assets	0.47
Professional Charges Payable	0.03
Other Expenses Payable	0.61
Directors' Remuneration Payable	0.72
Salary and Wages Payables	1.49
Statutory Liabilities	6.09
Audit fees Payable	0.31
Telephone Charges Payable	0.07
Electricity Charges Payable	0.02
Provision for VAT Payable- Composition Scheme	0.26
Provision for Service tax Liability	1.09
Provision for TDS Defaults as per 26AS	0.13
Provision for TDS Expenses Payable	0.76
<b>Total</b>	<b>83.68</b>

**Notes**

1. The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**NOTE- 10A**  
**RESTATED CONSOLIDATED STATEMENT OF SHORT TERM PROVISIONS**

PARTICULARS	(Rs. in million)
	As At 31-03-2015
Provision for Gratuity	0.10
Provision for Leave Encashment	0.01
Provision for Interest on Loans	0.34
<b>Total</b>	<b>0.45</b>

**Notes**

1. The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the significant accounting policies and notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**NOTE-11A**  
**RESTATED CONSOLIDATED STATEMENT OF PROPERTY, PLANT & EQUIPMENT**

(Rs. in million)

Notes

2014-15	Gross Carrying Amount				Depreciation				Net Carrying Amount	
PARTICULARS	As on 01-04-2014	Addition During the Year	Deletion / Disposal During the Year	As on 31-03-2015	Accumulated Dep. as on 01-04-2014	Depreciation During the Year	Deduction During the Year	Transition Adj.	Accumulated Depreciation as on 31-03-2015	As on 31-03-2015
(a) Land	0.00			0.00	0.00				0.00	0.00
(b) Building	8.33	29.61		37.94	1.16	1.16			2.32	35.62
(c) Plant and Equipment	25.03	9.70		34.73	9.68	4.10		0.00	13.78	20.95
(d) Furniture & Fixtures	3.86	0.00		3.86	1.63	0.64			2.27	1.59
(e) Vehicles	8.95	8.61		17.56	5.54	3.05			8.59	8.97
(f) Office Equipment	3.40	0.39		3.79	1.22	1.55		0.06	2.83	0.96
(g) IP	198.92	130.53		329.45	36.50	29.88			66.38	263.07
(h) Electrical Equipments	0.34	0.00		0.34	0.15	0.06			0.21	0.13
(i) Computers & Printers	2.57	0.51		3.08	1.81	0.50		0.06	2.37	0.71
<b>Total</b>	<b>251.39</b>	<b>179.35</b>	<b>0.00</b>	<b>430.74</b>	<b>57.69</b>	<b>40.94</b>	<b>0.00</b>	<b>0.13</b>	<b>98.76</b>	<b>331.98</b>

1. The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the significant accounting policies and notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**NOTE-12A**  
**RESTATED CONSOLIDATED STATEMENT OF INTANGIBLE ASSETS**

PARTICULARS	(Rs. In Million)
	As At 31-03-2015
<b>I. Intangible Assets</b>	
<b>(a) Computer Software</b>	
Opening Gross Carrying Amount	0.00
Add: Additions During the Year	0.30
Closing Gross Carrying Amount	0.30
Opening Accumulated Amortization	0.00
Add: Amortization During the Year	0.07
Closing Accumulated Amortization	0.07
Opening Net Carrying Amount	0.00
Closing Net Carrying Amount	0.24
<b>(B) Copyrights, Patents, other intellectual property rights, services and operating rights</b>	
Opening Gross Carrying Amount	0.00
Add: Additions During the Year	0.00
Closing Gross Carrying Amount	0.00
Opening Accumulated Amortization	0.00
Add: Amortization During the Year	
Closing Accumulated Amortization	0.00
Opening Net Carrying Amount	0.00
Closing Net Carrying Amount	0.00
<b>(C) Others</b>	
<b>Total of Net Carrying Amount</b>	<b>0.24</b>

**Notes: -**

1. The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.



**NOTE-13A**  
**RESTATED CONSOLIDATED STATEMENT OF NON-CURRENT INVESTMENTS**

PARTICULARS	(Rs. In Million)
	As At 31-03-2015
<b>Investment in Equity Instruments</b>	
Shares with Corporation Bank	0.01
<b>Total</b>	<b>0.01</b>

**Note:-**

1. The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**NOTE-14A**  
**RESTATED CONSOLIDATED STATEMENT OF LONG TERM LOANS & ADVANCES**

PARTICULARS	(Rs. In Million)
	As At 31-03-2015
<b>Secured, considered good;</b>	
<b>Capital Advances</b>	
Advance for Building Project	10.41
Advance for Shop (Turbhe Industrial)	2.75
Advance for Flat with Vaviya Developers Pvt Ltd	7.50
Advance Against Nerul Godown	1.09
Security Deposits	3.01
Earnest Money Deposits	4.15
Retention Money	59.93
Others	2.30
<b>Total</b>	<b>91.14</b>

**Note:-**

1. The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**NOTE-15A**  
**RESTATED CONSOLIDATED STATEMENT OF INVENTORIES**

(Rs. In Million)

PARTICULARS	As At
	31-03-2015
Work-In-Progress	26.85
<b>Total</b>	<b>26.85</b>

**Note:-**

1. Mode of Valuation: - Inventories (raw materials) are valued at cost.
2. Inventory is valued and certified by the management only.
3. The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.
4. The above statement should be read with the significant accounting policies and notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**NOTE-16A**  
**RESTATED CONSOLIDATED STATEMENT OF TRADE RECEIVABLES**

(Rs. In Million)

PARTICULARS	As At
	31-03-2015
<b>Outstanding for a period exceeding 6 Months</b>	
Secured, Considered Good	
Unsecured, considered Good	49.58
<b>Outstanding for a period not exceeding 6 Months</b>	
Secured, Considered Good	
Unsecured, considered Good	188.47
<b>Total</b>	<b>238.06</b>

**Note:-**

1. The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.
3. The Company does not have information as to which of its supplier are Micro small and Medium Enterprise registered under The Micro small and Medium Enterprise Development Act 2006. Consequently the liability, if any, of interest which would be payable under The Micro small and Medium Enterprise Development Act 2006, cannot be ascertained.

**NOTE-17A**  
**RESTATED CONSOLIDATED STATEMENT OF CASH & CASH EQUIVALENTS**

(Rs. In Million)

PARTICULARS	As At
	31-03-2015
<b>(a) Balances with Banks</b>	
In Current and OD Accounts	24.19
Margin Money/Security against Borrowings, Bank Guarantees	30.06
<b>(b) Cheques, drafts on hand</b>	
<b>(c) Cash on Hand</b>	4.97
<b>(d) Others</b>	
<b>Total</b>	<b>59.22</b>

**Note:-**

1. The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**NOTE-18A**  
**RESTATED CONSOLIDATED STATEMENT OF SHORT TERM LOANS & ADVANCES**

(Rs. In Million)

PARTICULARS	As At
	31-03-2015
<b>Unsecured and Considered Good:</b>	
Advance for Site Expenses	0.43
Advances to Employees	0.05
Advance to Creditors	5.41
Prepaid Expenses	7.89
Balances with Govt Authorities	22.55
Provisional Credit of ST Liability under RCM	0.18
<b>Total</b>	<b>36.50</b>

**Note:-**

1. The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**NOTE-19A**  
**RESTATED CONSOLIDATED STATEMENT OF OTHER CURRENT ASSETS**

(Rs. In Million)

PARTICULARS	As At
	31-03-2015
Other Current Assets	0.00
<b>Total</b>	<b>0.00</b>

**Note:-**

1. The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**NOTE - 20A**  
**RESTATED CONSOLIDATED STATEMENT OF REVENUE FROM OPERATIONS**

(Rs. In Million)

PARTICULARS	For the Year Ended
	31-03-2015
<b>Contract Receipts</b>	420.16
<b>Sub-Total</b>	<b>420.16</b>
<b>Contract Receipts- IP Work</b>	
Billing During the Year	153.35
Add: Opening Pre-received Income	296.87
Less: Closing Pre-received Income	361.51
<b>Sub-Total</b>	<b>88.71</b>
<b>Total</b>	<b>508.88</b>

**Note:**

1. The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**NOTE - 21A**  
**RESTATED CONSOLIDATED STATEMENT OF OTHER INCOME**

(Rs. In Million)

PARTICULARS	For the Year Ended
	31-03-2015
Interest on Fixed Deposits	2.56
Discounts and Other Incomes	0.11
<b>Total</b>	<b>2.67</b>

**Notes:**

1. The classification of other income as recurring/not-recurring, related/not-related to business activity is based on the current operations and business activity of the Company as determined by the management.
2. The figures disclosed above are based on the restated consolidated summary statement of profit and loss of the Company.
3. The above statement should be read with the significant accounting policies and notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**NOTE - 22A**  
**RESTATED CONSOLIDATED STATEMENT OF OPERATIONAL EXPENSES**

(Rs. In Million)

PARTICULARS	For the Year Ended
	31-03-2015
Labour and Sub-contract Charges	283.71
<b>Total</b>	<b>283.71</b>

**Notes:**

1. The figures disclosed above are based on the restated consolidated summary statement of profit and loss of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**NOTE - 23A**  
**RESTATED CONSOLIDATED STATEMENT OF PURCHASE OF MATERIALS**

(Rs. In Million)

PARTICULARS	For the Year Ended
	31-03-2015
Purchase of Stock-in-Trade	31.26
<b>Total</b>	<b>31.26</b>

**Notes:**

1. The figures disclosed above are based on the restated consolidated summary statement of profit and loss of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**NOTE - 24A**  
**RESTATED CONSOLIDATED STATEMENT OF CHANGE IN INVENTORIES OF FINISHED GOODS, WIP AND MATERIALS**

(Rs. In Million)

PARTICULARS	For the Year Ended
	31-03-2015
Inventory at the end of the Year	26.85

Inventory at the beginning of the Year	26.75
<b>Increase/decrease in inventory</b>	<b>-0.10</b>

**Notes:**

1. The figures disclosed above are based on the restated consolidated summary statement of profit and loss of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**NOTE - 25A****RESTATED CONSOLIDATED STATEMENT OF EMPLOYEE BENEFIT EXPENSES**

Particulars	(Rs. in Million)
	For the year ended 31-03-15
Salaries and Wages and other allowances	16.68
Directors' Remuneration	4.88
ESIC	0.08
Food Allowance	0.28
Provision for Gratuity	0.69
Provision for Leave Encashment	0.20
Provident Fund Contributions	0.25
Staff Welfare Expenses	0.70
<b>Total</b>	<b>23.77</b>

**Notes: -**

1. The figures disclosed above are based on the restated consolidated summary statement of profit and loss of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**NOTE - 26A****RESTATED CONSOLIDATED STATEMENT OF FINANCE COSTS**

Particulars	(Rs. in Million)
	For the year ended 31-03-15
Interest on loan	3.23
Bank Interest	8.80
Bank Charges	3.99
<b>Total</b>	<b>16.03</b>

**Notes: -**

1. The figures disclosed above are based on the restated consolidated summary statement of profit and loss of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**NOTE - 27A****RESTATED CONSOLIDATED STATEMENT OF DEPRECIATION AND AMORTIZATION EXPENSES**

Particulars	(Rs. in Million)
	For the year ended 31-03-15
Depreciation	40.94

Amortization on Intangible Assets	0.07
<b>Total</b>	<b>41.01</b>

**Notes: -**

1. The figures disclosed above are based on the restated consolidated summary statement of profit and loss of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**NOTE - 28A**  
**RESTATED CONSOLIDATED STATEMENT OF OTHER EXPENSES**

(Rs. in Million)

Particulars	For the year ended
	31-03-15
Audit Fees	0.34
Business Promotion Expenses	0.04
Commission	0.43
Donation	0.16
Electricity Charges	0.52
House Keeping Charges	0.04
Insurance	0.59
Office Expenses	2.21
Postage and Courier Charges	0.02
Interest on TDS and Service Tax	0.50
Printing and Stationery	0.33
Professional Charges	1.11
Rates and Taxes (Tax and other Govt payments)	0.81
Rent Charges	2.91
Repairs and Maintenance	1.36
Security Charges	0.20
Society Charges	0.23
Telephone and Internet Expenses	0.60
Travelling and Conveyance	3.10
Water Charges	0.02
TDS Expenses	0.03
Penalty on VAT & ST Late filling	0.09
<b>Total</b>	<b>15.64</b>

**Notes: -**

1. The figures disclosed above are based on the restated consolidated summary statement of profit and loss of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**NOTE - 29A**  
**RESTATED CONSOLIDATED STATEMENT OF EXCEPTIONAL ITEMS**

Particulars	(Rs. in Million)
	For the year ended 31-03-15
Others	0.00
<b>Total</b>	<b>0.00</b>

**Notes: -**

1. The figures disclosed above are based on the restated consolidated summary statement of profit and loss of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**NOTE - 30A**  
**RESTATED CONSOLIDATED STATEMENT OF RELATED PARTY TRANSACTION**

a) Names of the related parties with whom transaction were carried out during the years and description of relationship:		
1)	Company/entity owned or significantly influenced by directors/ KMP/individuals owning interest in voting power that gives them significant influence over the enterprise or their relatives	Vaviya Developers Pvt Ltd
2)	Key Management Personnel's/Directors	Mr. Dinesh Kargal Ms. ShashikalaKargal

(Rs. in Million)		
Sr. No.	Nature of Transaction	For the Period
<b>1</b>	<b>Dinesh Kargal</b>	<b>2014-15</b>
	Opening (Cr)	9.54
	Remuneration	3.64
	Rent	2.02
	Amount received/ credited	8.82
	Amount paid/ debited	13.78
	Closing (Cr)	10.24
<b>2</b>	<b>ShashikalaKargal</b>	<b>2014-15</b>
	Opening (Cr)	4.76
	Remuneration	1.24
	Amount received/ credited	4.30
	Amount paid/ debited	2.59
	Closing (Cr)	7.71
<b>3</b>	<b>Vaviya Developers Pvt Ltd</b>	<b>2014-15</b>
	Opening (Cr)	0.00
	Advance for Flat	7.50
	Closing (Cr)	-7.50

**Notes: -**

1. The figures disclosed above are based on the restated consolidated summary statement of profit and loss of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.



3. List Company/entity owned or significantly influenced by directors/ KMP, Key Management Personnels, and Relative of Key Management Personnels have been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

**NOTE - 31A****RESTATED STATEMENT OF CONTINGENT LIABILITIES AND COMMITMENTS****(Rs. in Million)**

<b>Particulars</b>	<b>As At 31-03-15</b>
<b>Contingent Liabilities</b>	
(a) Claims against the company not acknowledged as debt;	0.00
(b) Guarantees & LC excluding financial guarantees;	107.33
(c) Other money for which the company is contingently liable	0.00
<b>Commitments</b>	
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	0.00
(b) Uncalled liability on shares and other investments partly paid	0.00
(c) Other commitments	0.00
<b>Total</b>	<b>107.33</b>

**Notes: -**

- The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.
- The above statement should be read with the significant accounting policies and notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**NOTE - 32A****RESTATED CONSOLIDATED STATEMENT OF MANDATORY ACCOUNTING RATIOS****(Rs. in Million)**

<b>Particulars</b>	<b>As At 31-03-15</b>
<b>Net Worth</b>	196.93
Less: Revaluation Reserves(if any)	0.00
<b>Net Worth (A)</b>	196.93
Restated Profit after tax	68.99
<b>Adjusted Profit after Tax available for equity share holders (B)</b>	68.99
Number of Equity Share outstanding on every balance sheet date	0.25
Weighted average no of Equity shares at the time of end of the year (D)	29.50
<b>Current Assets (E)</b>	360.63
<b>Current Liabilities (F)</b>	268.28
<b>Face Value per Share (in Rs.)</b>	<b>10.00</b>
Restated Basic and Diluted Earning Per Share (Rs.) (B/D)	
Refer Note 1 given below	<b>2.34</b>
Return on Net worth (%) (B/A)	<b>35.03</b>
Net asset value per share (A/C) (in Rs.)	<b>787.74</b>
Adjusted Net asset value per share based on Weighted average number of share (A/D) (In Rs.)	<b>6.68</b>
Current Ratio (E/F)	<b>1.34</b>

**Notes: -**

- The ratios have been computed as below:
  - The Company has issued bonus shares in the ratio of 1:117 on November 21, 2017 against 250000 shares resulting into 2,92,50,000 equity shares of Rs. 10/- each.

- (b) Diluted earnings per share (Rs.)-: Net profit after tax as restated for calculating diluted EPS / Weighted average number of equity shares outstanding at the end of the period or year for diluted EPS
- (c) Return on net worth (%) -: Net profit after tax (as restated) / Net worth at the end of the period or year
- (d) Net assets value per share -: Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year
- 2) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted by the number of equity shares issued during period/year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/year.
- 3) Net worth for ratios mentioned in note 1(c) and 1(d) is = Equity share capital + Reserves and surplus (including, Securities Premium, General Reserve and surplus in statement of profit and loss).
- 4) The figures disclosed above are based on the consolidated restated summary statements of the Company.
- 5) The above statement should be read with the significant accounting policies and notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**NOTE - 33A**  
**RESTATED CONSOLIDATED STATEMENT OF TAX SHELTER**

(Rs. in Million)

Particulars	As At
	31-03-15
<b>Tax at Notional Rate</b>	34.07
Adjustments:	
Difference between Tax Depreciation and Book Depreciation	-2.15
Other Adjustments	0.89
Net Adjustments	-1.26
Tax Saving thereon	-0.43
<b>Total Taxation</b>	34.50
Taxation on Extraordinary Items	0.00
<b>Tax on Profits before Extraordinary Items</b>	<b>34.50</b>

**Notes: -**

- The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.
- The above statement should be read with the significant accounting policies and notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

## RESTATED FINANCIAL STATEMENTS

### Independent Auditors' Report

(As required by Section 26 of Companies Act, 2013 read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014)

To,

**The Board of Directors,  
Dinesh Engineers Limited  
DEPL House, Neighbourhood Shopping Complex,  
Sector-4, Nerul Navi Mumbai, MH-400706**

Dear Sirs,

- (11) We have examined the attached Restated Standalone Financial Information of **Dinesh Engineers Limited** (the "Company") which comprise of the Restated Standalone Summary Statement of Assets and Liabilities as at as at March 31, 2018, 2017, 2016, 2015 and 2014, the Restated Standalone Summary Statements of Profit and Loss (including other comprehensive income) and Restated Standalone Summary Statement of Changes in Equity for each of the years ended March 31, 2018, 2017 and 2016, the Restated Standalone Summary Statements of Profit and Loss for the years ended March 31, 2015 and 2014 and the Restated Standalone Summary Statements of Cash Flows for the years ended March 31, 2018, 2017, 2016, 2015 and 2014 and the Standalone Summary Statement of Significant Accounting Policies, and related Annexures thereto (collectively, the "Restated Standalone Financial Information"), for the purpose of inclusion in the offer document prepared by the Company in connection with its proposed initial public offer (the "IPO").
- (12) The Restated Standalone Financial Information has been approved by the Board of Directors of the Company and is prepared in terms of the requirements of:
  - (d) Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act") read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended ("the Rules"); and
  - (e) the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time in pursuance of provisions of Securities and Exchange Board of India Act, 1992 ("ICDR Regulations").
  - (f) The Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by the Institute of Chartered Accountants of India, as amended from time to time (the "Guidance Note")
- (13) The preparation of the Restated Standalone Financial Information is the responsibility of the Management of the Company for the purpose set out in paragraph 13 below. The Management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Management is also responsible for identifying and ensuring that the Company complies with the Act, the Rules and ICDR Regulations.
- (14) We have examined such Restated Standalone Financial Information after taking into consideration:
  - (a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter in connection with the IPO; and
  - (b) The Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by the Institute of Chartered Accountants of India ('ICAI'), ("The Guidance Note").
- (15) The Restated Standalone Financial Information has been compiled by the Management from:
  - a) Audited standalone Ind AS financial statements of the Company as at and for the year ended March 31, 2018, prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting

Standards) Rules as amended from time to time which have been approved by the Board at their meeting held on August 10, 2018. The comparative information for the year ended March 31, 2017 included in such financial statements have been prepared by making Ind AS adjustments to the audited standalone financial statements of the Company as at and for the year ended March 31, 2017, prepared in accordance with the accounting standards notified under the section 133 of the Companies Act, 2013, ("Indian GAAP") which was approved by the Board of directors at their meeting held on September 04, 2017

- b) Audited Standalone Financial Statements of the Company as at and for the years ended March 31, 2015 and 2014 prepared in accordance with the Indian GAAP which have been approved by the Board of Directors at their meetings held on 02 September, 2015, 03 September, 2014

The Restated Standalone Financial Information also contains the proforma standalone Ind AS financial statements as at and for the year ended March 31, 2016. These proforma standalone Ind AS financial statements have been prepared by making Ind AS adjustments to the audited Indian GAAP financial statements as at and for the year ended March 31, 2016 which have been approved by the Board of Directors at their meetings held on 02 September, 2016.

- (16) For the purpose of our examination, we have relied upon the Auditor's Report issued by **Nair & Nair Associates, Chartered Accountants, Mumbai** on the Standalone financial statements of the Company for each of the financial years ended 31 March 2018, 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013. We have examined books of account underlying those audited Standalone financial statements and other records of the Company, to the extent considered necessary by us, for the presentation of the Restated Standalone Financial Information under the requirements of Schedule III of the Act.
- (17) In accordance with the requirements of Section 26 of Part I of Chapter III of the Act, read with Rules 4 to 6 of the Rules, the ICDR Regulations and the Guidance Note read together with paragraph 6 above (including reliance placed on the report of the statutory auditor as referred to in paragraph 6 above), we report that the Restated Standalone Financial Information:
  - a) have been prepared after incorporating adjustments for the changes in accounting policies and regrouping/reclassifications retrospectively in the financial year ended March 31, 2017 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the year ended March 31, 2018;
  - b) have been prepared after incorporating proforma Ind AS adjustments to the audited Indian GAAP financial statements as at and for the year ended March 31, 2016 as described in Notes to the Restated Standalone Financial Information;
  - c) have been prepared after incorporating adjustments for the changes in accounting policies and regrouping/reclassifications retrospectively in the financial year ended March 31, 2014 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the year ended March 31, 2015;
  - d) have been prepared after incorporating adjustments for the material amounts in the respective financial years to which they relate; and
  - e) do not contain any extra-ordinary items that need to be disclosed separately and do not contain any qualification requiring adjustments.
- (18) We have not audited or reviewed any Financial Statements of the Company as of any date or for any period subsequent to 31 March, 2018. Accordingly, we express no opinion on the Financial Position, Results of the Operations or Cash Flow of the Company as of any date or for any period subsequent to 31 March 2018.
- (19) This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us or by other firm of Chartered Accountants, nor should this report be construed as a new opinion on any of the Financial Statements referred to herein.

- (20) We have no responsibility to update our report for events and circumstances occurring after the date of the report.
- (21) Our report is intended solely for use of the Management for inclusion in the offer document to be filed with the SEBI and Stock Exchange where the equity shares are proposed to be listed and the relevant Registrar of Companies in India in connection with the IPO. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

**For Mansaka Ravi & Associates**  
**Chartered Accountants**  
**FRN: 015023C**

**CA Ravi Mansaka**  
**Partner**  
**M.N. 410816**

**Date: 05-09-2018**  
**Place: Jaipur**

**ANNEXURE-I**  
**RESTATED STANDALONE STATEMENT OF ASSETS & LIABILITIES**

(Rs. in million)

Particulars		Note	As At		
			31-03-2018	31-03-2017	31-03- 2016 (Proforma)
<b>ASSETS</b>					
<b>Non-Current Assets</b>					
(a)	Property, Plant and Equipment	1	689.81	677.51	500.23
(b)	Capital Work-in-Progress		462.33	35.64	64.61
(c)	Intangible Assets	2	0.83	0.40	0.73
(d)	Financial Assets				
	(i) Trade Receivables	3	59.95	93.81	69.02
	(ii) Investments	4	5.01	0.51	0.51
	(iii) Loans				
	(iv) Other financial assets	5	293.41	163.59	115.57
(e)	Other non-current assets	6	47.66	59.91	116.46
<b>Current Assets</b>					
(a)	Inventories	7	174.98	0.00	0.00
(b)	Financial Assets				
	(i) Investments		0.00	0.00	0.00
	(ii) Trade receivables	8	821.03	475.75	238.18
	(iii) Cash and cash equivalents	9	4.72	136.19	5.41
	(iv) Bank balances other than (iii) above	10	1.31	12.01	3.96
	(v) Loans	11	0.17	0.43	0.13
	(vi) Others current financial assets	12	1503.55	281.94	243.43
(c)	Current Tax Asset (Net)		821.03	475.75	238.18
(d)	Other Current Assets	13	113.32	43.23	39.46
<b>Total Assets</b>			<b>4178.08</b>	<b>1980.92</b>	<b>1397.70</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
(a)	Equity Share Capital	14	295.00	2.50	2.50
(b)	Other Equity	15	786.32	459.503	287.82
<b>LIABILITIES</b>					
<b>Non-Current Liabilities</b>					
(a)	Financial Liabilities				
	(i) Borrowings	16	94.25	96.392	36.21
	(ii) Other financial liabilities				
(b)	Provisions	17	2.83	3.662	2.33
(c)	Deferred tax Liabilities (Net)	18	10.34	6.037	5.17
(d)	Other Non-Current Liabilities	19	1047.20	787.89	464.80
<b>Current Liabilities</b>					
(a)	Financial Liabilities				
	(i) Borrowings	20	166.99	0.00	78.38
	(ii) Trade payables	21			
	(a) total outstanding dues of micro enterprises and small enterprises; and				
	(b) total outstanding dues of creditors other than micro enterprises and small enterprises.		1367.26	436.97	376.33
	(iii) Other Financial Liabilities	22	40.64	53.68	75.05
(b)	Other Current Liabilities	23	162.59	128.28	68.95
(c)	Provisions	24	1.35	0.22	0.15

(d)	Current Tax Liabilities	25	203.31	5.80	0.00
<b>Total Equity and Liabilities</b>			<b>4178.08</b>	<b>1980.92</b>	<b>1397.70</b>

Note:- The above statement should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexures V, IV, II, and III.

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

(Rs. in million)

	Particulars	Note	As At		
			31-03-2018	31-03-2017	31-03- 2016 (Proforma)
<b>I</b>	Revenue from Operations	26	3021.73	1692.32	1222.53
<b>II</b>	Other Incomes	27	6.05	6.80	2.49
<b>III</b>	<b>Total Income (I+II)</b>		3027.78	1699.11	1225.02
<b>IV</b>	<b>Expenses:</b>				
	Operational Expenses	28	1540.96	1036.35	749.57
	Cost of Raw Material Consumed	29	388.27	73.33	93.53
	Changes in Inventories of Raw Material and work-in-progress	30	-174.98	0.00	26.85
	Employee Benefits Expenses	31	86.40	68.87	38.08
	Finance Costs	32	19.87	27.81	20.65
	Depreciation And Amortization Expense	33	112.89	97.26	61.82
	Administrative and Other Expenses	34	100.89	57.10	37.04
	<b>Total Expenses (IV)</b>		<b>2074.30</b>	<b>1360.72</b>	<b>1027.55</b>
<b>V</b>	Profit/(loss) before exceptional items and tax (I-IV)		953.48	338.39	197.47
<b>VI</b>	Exceptional Items	35	1.12	0.42	0.35
<b>VII</b>	<b>Profit/(loss) before tax (V-VI)</b>		<b>952.35</b>	<b>337.97</b>	<b>197.13</b>
<b>VIII</b>	<b>Tax Expense</b>				
	- Current Tax	<b>36</b>	330.23	116.63	66.22
	- Deferred Tax Liability / (Asset)	<b>37</b>	3.76	0.98	2.02
	Interest on Income Tax		0.06	0.32	0.00
<b>IX</b>	<b>Restated profit/(loss) after tax for the period from continuing operations</b>		<b>618.30</b>	<b>220.04</b>	<b>128.89</b>
<b>X</b>	<b>Other Comprehensive Income</b>				
	(i) Items that will not be reclassified to profit or loss				
	Fair value gain loss on Investments				
	Re measurement gain/loss on defined benefit obligation		<b>1.56</b>	<b>-0.33</b>	<b>0.13</b>
	(ii) Income tax relating to items that will not be reclassified to profit or loss		<b>-0.54</b>	<b>0.11</b>	<b>-0.03</b>
	(i) Items that will be reclassified to profit or loss				
	(ii) Income tax relating to items that will be reclassified to profit or loss				
	Total Other Comprehensive Income for the Period		<b>1.02</b>	<b>-0.22</b>	<b>0.09</b>
<b>XI</b>	<b>Total Comprehensive Income for the period (IX+X)</b>		<b>619.32</b>	<b>219.82</b>	<b>128.98</b>
<b>XII</b>	Profit/ (Loss) from Discontinuing operation		0.00	0.00	0.00
<b>XIII</b>	Tax expenses of discontinuing operations		0.00	0.00	0.00
<b>XIV</b>	<b>Restated Profit/(loss) for the period</b>	<b>38</b>	<b>619.32</b>	<b>219.82</b>	<b>128.98</b>
<b>V</b>	<b>Earning per equity share:</b>				
	(1) Basic (In Rs.)		20.99	7.45	4.37
	(2) Diluted (In Rs.)		20.99	7.45	4.37

Note: The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, and cash flows appearing in Annexures V, IV, I and III.



**ANNEXURE-III**  
**RESTATED STANDALONE CASH FLOW STATEMENT**

(Rs. in million)

Particulars	As At		
	31-03-2018	31-03-2017	31-03- 2016 (Proforma)
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net Profit before tax	<b>952.35</b>	<b>337.97</b>	<b>197.13</b>
Adjustment for :			
Less: Interest on Fixed Deposit	-4.85	-5.82	-2.49
Less: Loss on Sale of Fixed Assets	0.00	-0.83	0.00
Add: Depreciation	112.89	97.26	61.82
Add: Provision of Gratuity	1.56	-0.33	0.13
Add: Provision for Leave Encashment			
Add: Interest on Borrowed Fund & Finance Charges	19.87	27.81	20.65
<b>Operating profit before working capital changes</b>	<b>1081.81</b>	<b>456.06</b>	<b>277.25</b>
Adjustment for :			
(Increase)/Decrease in Inventories	-174.98	0.00	26.85
(Increase)/Decrease in Trade Receivables	-311.42	-262.36	-69.14
Decrease/(Increase) in Current Loans	0.25	-0.29	-0.09
(Increase)/Decrease in Other Current Assets	-70.09	-3.76	-3.01
(Increase)/Decrease in Other Non Current Assets	12.26	56.55	-92.42
(Increase)/Decrease in other non current financial asset	-129.82	-48.02	-18.41
Decrease/(Increase) in other current financial assets	-1221.60	-38.51	-243.43
Decrease/(Increase) in bank balance other than cash and cash equivalent	10.70	-8.05	-3.96
Increase/(Decrease) in Trade Payables	930.29	60.64	262.05
(Decrease)/Increase in Non-Current Provisions	-0.84	1.33	0.73
Increase/(Decrease) in Other Current Liabilities	34.31	59.32	6.40
(Decrease)/Increase in other current financial liabilities	-13.04	-15.27	53.60
Increase/(Decrease) in Other Non Current Liabilities	259.31	323.09	157.52
(Decrease)/Increase in Current Provisions	1.13	0.07	0.04
	<b>-673.53</b>	<b>124.73</b>	<b>76.74</b>
<b>Cash generated from / (used in) operations</b>	<b>408.28</b>	<b>580.79</b>	<b>353.98</b>
Income Tax Paid/(refund)	132.78	111.16	66.22
<b>Net cash generated from/(used in) operating activities - (A)</b>	<b>275.50</b>	<b>469.63</b>	<b>287.76</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Addition in Property, plant & equipment (PPE)	-125.62	-279.80	-230.54
Increase in Capital Work-in-Progress	-426.69	28.96	-39.67
Sale of Fixed Assets	0.00	6.41	0.00
Interest Income on Fixed Deposit	4.85	5.82	2.49
Increase/Decrease in Current Investments	0.00	0.00	0.00
Increase in non-current investments	-4.49	0.00	0.00
<b>Net cash (used in) Investing Activities - (B)</b>	<b>-551.95</b>	<b>-238.60</b>	<b>-267.73</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Receipts from Increase of Share Capital	0.00	0.00	0.00
Payment of Dividends	0.00	-40.00	-30.00
Payment of Dividend Distribution tax	0.00	-14.25	-6.11
(Decrease)/Increase in Non-Current Borrowings	-2.14	60.18	4.48

(Decrease)/Increase in Current Borrowings	166.99	-78.38	8.50
Interest & Finance Charges	-19.87	-27.81	-20.65
<b>Net cash(used in) / from financing activities - (C)</b>	<b>144.98</b>	<b>-100.25</b>	<b>-43.78</b>
Net Increase/(decrease) in Cash & Cash Equivalents (A+B+C)	-131.46	130.78	-23.75
Cash and cash equivalents at the beginning of the year	136.19	5.41	29.16
<b>Cash and cash equivalents at the end of the year</b>	<b>4.72</b>	<b>136.19</b>	<b>5.41</b>
Cash and cash equivalents at the end of year comprises :			
1. Components of cash and cash equivalents:			
<b>Particulars</b>	<b>31-03-2018</b>	<b>31-03-2017</b>	<b>31-03- 2016 (Proforma)</b>
Cash on hand	2.74	1.85	0.09
Balances with scheduled banks:			
In current accounts	1.99	134.34	5.32
<b>Total Cash and cash equivalents</b>	<b>4.72</b>	<b>136.19</b>	<b>5.41</b>

Notes: -

1. The Cash Flow Statement has been prepared under indirect method as set out in Accounting Standard -3 on Cash Flow Statement, specified under the Companies Act, 1956 (which are deemed to be applicable as Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of Companies (Accounts) Rules, 2014).
2. Figures in Brackets or figures with "-" represents outflow.
3. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses as appearing in Annexures V, IV, I and II.

**ANNEXURE-IV**  
**RESTATED STANDALONE SUMMARY STATEMENT OF CHANGES IN EQUITY**

**A. Equity Share Capital**

(Rs. in million)

	As At		
	31-03-2018	31-03-2017	31-03- 2016 (Proforma)
<b>Opening Balance at the beginning of the Year</b>	<b>2.50</b>	<b>2.50</b>	<b>2.50</b>
<b>Changes in Equity share capital during the Year</b>			
(a) addition during the year	292.50		
<b>Closing Balance at the end of the Year</b>	<b>295.00</b>	<b>2.50</b>	<b>2.50</b>

**B. Other Equity**

(Rs. in million)

Particulars	Reserves and Surplus			Other Comprehensive Income		Total
	Retained Earnings	General Reserve	Total Reserves (Other than OCI)	Defined benefit obligation	Total OCI	
<b>Balance as at April 01,2015 (Proforma)</b>	195.26		195.26	-0.32	-0.32	194.95
Profit for the year	128.89		128.89		0.00	128.89
Re measurement gain/loss on defined benefit obligation			0.00	0.09	0.09	0.09
Interim Dividend Payment for FY 15-16	-30.00		-30.00		0.00	-30.00
Dividend Distribution Tax	-6.11		-6.11		0.00	-6.11
<b>Balance as at March 31, 2016</b>	<b>288.05</b>	<b>0.00</b>	<b>288.05</b>	<b>-0.22</b>	<b>-0.22</b>	<b>287.82</b>
<b>Balance as at April 1,2016 (Proforma)</b>	288.05		288.05	-0.22	-0.22	287.82
Profit for the year	220.04		220.04		0.00	220.04
Re measurement gain/loss on defined benefit obligation			0.00	-0.22	-0.22	-0.22
Interim Dividend Payment for FY 16-17	-40.00		-40.00		0.00	-40.00
Dividend Distribution Tax	-8.14		-8.14		0.00	-8.14
<b>Balance as at March 31, 2017</b>	<b>459.94</b>	<b>0.00</b>	<b>459.94</b>	<b>-0.44</b>	<b>-0.44</b>	<b>459.50</b>
Profits for the year	618.30		618.30		0.00	618.30
Fair valuation of investments			0.00		0.00	0.00
Capitalization of earnings by issue of bonus shares	-292.50		-292.50		0.00	-292.50
Re measurement gain/loss on defined benefit obligation	0.00		0.00	1.02	1.02	1.02
<b>Balance as at March 31, 2018</b>	<b>785.74</b>	<b>0.00</b>	<b>785.74</b>	<b>0.58</b>	<b>0.58</b>	<b>786.32</b>

**Note.:** The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses as appearing in Annexures V, III, I and II.

## ANNEXURE V

**RESTATED STANDALONE SUMMARY STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES  
AND OTHER NOTES**
**F. BACKGROUND**

**Dinesh Engineers Limited (Earlier known as Dinesh Engineers Private Limited) (“the Company”)** was incorporated on 07th February, 2006. It is a passive communication infrastructure provider Company in India, focused on providing passive communication infrastructure services mainly to the Telecom operators and internet service providers (“ISPs”).

**G. BASIS OF PREPARATION & SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****(15) Basis of preparation**

The Restated Standalone Summary Statement of Assets and Liabilities of Dinesh Engineers Limited (the “Company”) as at March 31, 2018, 2017 and 2016 and the related Restated Standalone Summary Statement of Profit and Loss (including other comprehensive income), the Restated Standalone Summary Statement of Changes in Equity and the Restated Standalone Summary Statement of Cash Flow for the years ended March 31, 2018, 2017 and 2016 (hereinafter collectively referred to as “Restated Standalone Financial Information”) have been prepared as follows:

a) The financial information as at and for the year ended March 31, 2018 and March 31, 2017 have been prepared on the basis of the audited standalone Ind AS financial statements of the Company as at and for the year ended March 31, 2018, prepared in accordance with the Indian Accounting Standards (referred to as “Ind AS”) as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time which have been approved by the Board at their meeting held on August 10, 2018. The comparative information for the year ended March 31, 2017 included in such financial statements have been prepared by making Ind AS adjustments to the audited standalone financial statements of the Company as at and for the year ended March 31, 2017, prepared in accordance with the accounting standards notified under the section 133 of the Companies Act, 2013, (“Indian GAAP”) which was approved by the Board of directors at their meeting held on September 04, 2017.

b) The proforma financial information as at and for the year ended March 31, 2016 has been prepared by making Ind AS adjustments to the audited Indian GAAP financial statements as at and for the year ended March 31, 2016 which were approved by the Board of Directors at their meeting held on September 02, 2016.

**These Restated Financial Information** have been prepared specifically for the purpose of inclusion in the offer document to be filed by the Company with the Securities and Exchange Board of India (“SEBI”), Registrar of Companies (“ROC”) and relevant stock exchange/s, as may be required in connection with the proposed Initial Public Offering (“IPO”) of its equity shares in accordance with the requirement of:

a) Section 26 of the Companies Act, 2013;

b) The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 issued by the Securities and Exchange Board of India (“SEBI”) on August 26, 2009, as amended to date in pursuance of provisions of Securities and Exchange Board of India Act, 1992 read along with SEBI circular No. SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016 (together referred to as the “SEBI regulations”); and

c) Guidance note on reports in company prospectuses issued by The Institute of Chartered Accountants of India (“ICAI”).

For all the periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with Accounting Standards notified under section 133 of the Companies Act, 2013 (“Indian GAAP” or “Previous GAAP”). The date of transition to Ind AS is April 1, 2016. As envisaged by the SEBI Circular, the Company has followed the same accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on its Ind AS transition date (i.e. April 1, 2016) while preparing proforma financial information for the FY 2015-16 and accordingly, suitable restatement adjustments in the accounting heads have been made in the proforma financial information.

The Restated Standalone Financial Information is presented in Indian Rupees (INR) and all values are rounded to the nearest millions up to two decimals, except where otherwise indicated.

**(16) Use of Estimates**

The preparation of these Restated Standalone Financial Information in conformity with Indian GAAP requires the Management to make judgments, estimates and assumptions that effect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in current and future periods.

#### **(17) Current and Non-Current Classification**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

##### **Assets**

An asset is classified as current when it satisfies any of the following criteria:

- e. it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- f. it is held primarily for the purpose of being traded;
- g. it is expected to be realized within 12 months after the reporting date; or
- h. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

##### **Liabilities**

A liability is classified as current when it satisfies any of the following criteria:

- e. it is expected to be settled in the Company's normal operating cycle;
- f. it is held primarily for the purpose of being traded;
- g. it is due to be settled within 12 months after the reporting date; or
- h. the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current assets/ liabilities include the current portion of non-current assets/ liabilities respectively. All other assets/ liabilities are classified as non-current.

##### **Operating cycle**

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The Company considers its operating cycle to be within one year.

#### **(18) SUMMARY SIGNIFICANT ACCOUNTING POLICIES**

The Company has applied following accounting policies to all periods presented in the Standalone Ind AS Financial Statement.

##### **a) Revenue Recognition**

###### **(iv) Revenue from leasing out Fibre Capacity**

Revenue from granting right to use the fibre capacity on the concept of IRU (Indefeasible Right to Use) is classified as "operating lease" in terms of Indian Accounting Standard – 17 "Leases". Accordingly lease income is recognized on a straight-line basis over the lease term even if the receipts are not on such a basis, unless another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished.

###### **(v) In respect of Contracts of Fibre Capacity Installation**

- a) When the outcome of a construction contract can be estimated reliably, contract revenue and contract costs are recognized as revenue and expenses respectively by reference to the stage of completion of the contract activity at the balance sheet date ("percentage-of-completion method"). When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognized to the extent of

- contract costs incurred that are likely to be recoverable. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognized as an expense immediately.
- b) Contract revenue comprises the initial amount of revenue agreed in the contract and variations in the contract work and claims that can be measured reliably. A variation or a claim is recognized as contract revenue when it is probable that the customer will approve the variation or negotiations have reached an advanced stage such that it is probable that the customer will accept the claim.
  - c) The stage of completion is measured by reference to the ratio of contract costs incurred to date to the estimated total costs for the contract. Costs incurred during the financial year in connection with future activity on a contract are excluded from the costs incurred to date when determining the stage of completion of a contract. Such costs are shown as construction contract work-in-progress on the balance sheet unless it is not probable that such contract costs are recoverable from the customers, in which case, such costs are recognized as an expense immediately.
  - d) At the balance sheet date, the cumulative costs incurred plus recognized profit (less recognized loss) on each contract is compared against the progress billings. Where the cumulative costs incurred plus the recognized profits (less recognized losses) exceed progress billings, the balance is presented as “unbilled revenue” i.e. due from customers on construction contracts within “Other Current Financial Assets”. Where progress billings exceed the cumulative costs incurred plus recognized profits (less recognized losses), the balance is presented as due to customers on construction contracts within “trade and other payables”. Progress billings not yet paid by customers are included within “trade and other receivables”. Advances received are included within “Other Current Liabilities”.
- (vi) Revenue is measured at the fair value of the consideration received or receivable, net of discounts, volume rebates, outgoing service tax, Goods & Service Tax (GST) and other applicable indirect taxes.
  - (vii) Service tax / Goods & Service Tax (GST) is not received by the Company on its own account. Rather, it is tax collected on value added to the services by the service provider on behalf of the Government. Accordingly, it is excluded from revenue.
  - (viii) Revenue is recognized to the extent that it is possible that the economic benefits will flow to the company and the revenue can be reliably measured with reliable certainty of realizing the consideration.
  - (ix) Revenue from the contract is recognized on percentage completion method by reference to the physical completion of the work. The Company raises the running bills on their customers as stipulated in the terms and conditions mentioned in the contract. However, on the basis of physical completion of the contract obtained from the survey by the technical consultants, any excess or shortfall in revenue is recognized as “Unbilled Revenue”.

#### Other Incomes:

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset’s net carrying amount on initial recognition.

Interest is accounted on accrual basis on overdue receivables.

#### Dividend

Dividend income is recognized when the right to receive dividend is established.

### b) Property, Plant and Equipment

#### (A) Property, Plant and Equipment

Property, plant and equipment are tangible items that:

- (i) are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and
- (ii) are expected to be used during more than one period.

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, attributable borrowing cost and any other directly attributable costs of bringing an asset to working condition and location for its intended use. It also includes the present value of

the expected cost for the decommissioning and removing of an asset and restoring the site after its use, if the recognition criteria for a provision are met.

Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to the statements of profit and loss in the period in which the costs are incurred. Major inspection and overhaul expenditure is capitalized if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the statement of profit and loss as incurred.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within other income/other expenses in statement of profit and loss.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss, when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at the end of each financial year considering the physical condition of the property, plant and equipment and benchmarking analysis or whenever there are indicators for review of residual value and useful life.

Items such as spare parts, stand-by equipment and servicing equipment are recognized in accordance with this Ind AS when they meet the definition of property, plant and equipment. Otherwise, such items are classified as inventory. It is estimated that spares having a value of more than Rs. 2 lacs are assumed to qualify for the definition of property plant equipment. Life of the spares has been considered to be 18 months. Residual value of 5% has been considered for all the spares capitalized. The residual value of such spares is transferred to the Statement of Profit and Loss as and when they are consumed.

#### **(B) Capital Work-in-Progress**

Assets in the course of construction are capitalized in capital work in progress account. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the commissioning of an asset are capitalized when the asset is available for use but incapable of operating at normal levels until the period of commissioning has been completed.

#### **(C) Depreciation**

Assets in the course of development or construction and freehold land are not depreciated.

Other property, plant and equipment are stated at cost less accumulated depreciation and any provision for impairment. Depreciation commences when the assets are ready for their intended use.

Depreciation is calculated on the depreciable amount, which is the cost of an asset less its residual value. Depreciation is provided at rates calculated to write off the cost, less estimated residual value, of each asset on a written down value basis over its expected useful life.

Depreciation on Property, plant and equipment sold, discarded or demolished during the year, if any, is being provided pro-rata up to the date on which such Property, plant and equipment are sold, discarded or demolished.

Depreciation on Property, plant and equipment is provided for on a written down value method at the rates prescribed in Schedule II to the Companies Act, 2013.

Pursuant to the Act being effective from 01 April 2014, the Company has revised depreciation rates on certain Property, plant and equipment as per the useful life specified in Part 'C' of Schedule II to the Act. As a result of this change, the depreciation charge for the year ended 31 March 2015 is higher by an amount of Rs. 0.12 million in respect of Property, plant and equipment whose useful life is already exhausted as on 01 April 2014 has been adjusted from retained earnings.



**(D) Intangible Assets**

Intangible assets acquired are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite. The Company currently does not have any intangible assets with indefinite useful life. Intangible assets are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

**(E) Cash & Cash Equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

**c) Inventories**

Inventories being raw materials are valued at the lower of cost and net realizable value (NRV).

Inventory being Work-in-Progress are valued in terms of accounting standard – 11 “Construction Contracts”.

**d) Employee Benefits****(i) Short-term employee benefits**

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, performance incentives and compensated absences which are expected to occur in next twelve months. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service is rendered by employees.

**Compensated absences:**

Compensated absences accruing to employees and which can be carried to future periods but where there are restrictions on availment or encashment or where the availment or encashment is not expected to occur wholly in the next twelve months, the liability on account of the benefit is determined actuarially using the projected unit credit method.

**(ii) Post-employment benefits –****Defined benefit plans – Gratuity**

The Company has a defined benefit plan (the “Gratuity Plan”). The Gratuity Plan provides a lump sum payment to employees who have completed five years or more of service at retirement, disability or termination of employment, being an amount based on the respective employee’s last drawn salary and the number of years of employment with the Company. Presently the Company’s gratuity plan is unfunded.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets if any. This cost is included in employee benefit expense in the statement of profit and loss.

The liability or asset recognized in the balance sheet in respect of gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets if any. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.



Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income and are never reclassified to profit or loss. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in the statement of profit and loss as past service cost.

#### **Defined Contribution Plans – Provident Fund**

Provident Fund & Pension Fund are defined contribution schemes as per applicable rules/statute and contribution made to the Provident Fund Trust and Regional Provident Fund Commissioner respectively are charged to the Statement of Profit and Loss.

### **e) Taxation**

#### **Current income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### **Deferred tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences, except when it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

#### **Sales Tax/ GST / VAT**

Sales/ value added taxes paid on acquisition of assets or on incurring expenses are recognized net of the amount of sales/ value added taxes paid, except:

- ☐ When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

□ When receivables and payables are stated with the amount of tax included, the net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

#### **Minimum Alternate Tax**

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future 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.

#### **f) Earnings Per Share**

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit and loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit and loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

#### **g) Provisions and Contingencies**

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with the applicable Ind AS.

Provisions represent liabilities to the Company for which the amount or timing is uncertain. Provisions are recognized when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in the statement of profit and loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

The Company has significant capital commitments in relation to various capital projects which are not recognized on the balance sheet. In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Company involved, it is not expected that such contingencies will have a material effect on its financial position or profitability.

Contingent assets are not recognized but disclosed in the financial statements when an inflow of economic benefits is probable.

#### **h) Cash Flow Statement**

Cash flows are reported using indirect method as set out in Ind AS -7 "Statement of Cash Flows", whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

#### **i) Segment Reporting**

##### **(i) Business Segment**

(a) The business segment has been considered as the primary segment.

(b) The Company's primary business segments are reflected based on principal business activities, the nature of service, the differing risks and returns, the organization structure and the internal financial reporting system.

(c) The Company's primary business comprises of communication infrastructure services and since it is the only reportable segment as envisaged in relevant Ind AS. Accordingly, no separate disclosure for Segment reporting is required to be made in the Standalone Ind AS financial statements of the Company.

**(ii) Geographical Segment**

The Company operates in one Geographical Segment namely "within India" and hence no separate information for geographic segment wise disclosure is required.

**j) Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

**k) Impairment of Non-Current Assets**

An asset is considered as impaired when at the date of Balance Sheet there are indications of impairment and the carrying amount of the asset exceeds its recoverable amount (i.e. the higher of the fair value less cost to sell and value in use). The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the Statement of Profit and Loss. The impairment loss recognized in the prior accounting period is reversed if there has been a change in the estimate of recoverable amount. Post impairment, depreciation is provided on the revised carrying value of the carrying value of the impaired asset over its remaining useful life.

**l) Government Grants**

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is treated as deferred income and released to the statement of profit and loss over the expected useful lives of the assets concerned. When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to statement of profit and loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as a government grant. The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

**m) Leases**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalized at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are

capitalized in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognized as expenses in the periods in which they are incurred.

Finance leases in respect of land and building against which all lease payments are made at the time of inception of lease are amortized over the useful life or lease term, whichever is higher, on written down value method as per depreciation policy of the Company.

Operating lease payments are recognized as an expense in the statement of profit and loss on a straightline basis over the lease term.

**n) Financial instruments – initial recognition, subsequent measurement and impairment**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**Financial Assets**

**Initial recognition and measurement**

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through statement of profit and loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

**Subsequent measurement**

Subsequent measurement of financial assets is described below -

**Debt instruments at amortized cost**

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss. This category generally applies to trade and other receivables.

**Debt instrument at FVTOCI**

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

**Debt instrument at FVTPL**

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has designated its investments in debt instruments as FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

### **Financial Assets - Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

- ☐ The rights to receive cash flows from the asset have expired, or
- ☐ The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

### **Impairment of financial assets**

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits and trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18.

#### **Trade Receivables**

A receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

In other words, trade receivables are recognized initially at fair value and subsequently measured at amortized cost less expected credit loss, if any.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

□ Financial assets measured as at amortized cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

□ Debt instruments measured at FVTPL: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. The change in fair value is taken to the statement of Profit and Loss.

□ Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

### **Financial liabilities – Recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through statement of profit and loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

The measurement of financial liabilities depends on their classification, as described below:

#### **•Financial liabilities at fair value through statement of profit and loss**

Financial liabilities at fair value through statement of profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through statement of profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

□ Gains or losses on liabilities held for trading are recognized in the statement of profit and loss. Financial liabilities designated upon initial recognition at fair value through statement of profit and loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to statement of profit and loss.

However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit and loss. The Company has not designated any financial liability as at fair value through statement of profit and loss.

#### **•Loans and Borrowings**



After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate (hereinafter referred as EIR) method. Gains and losses are recognized in statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

#### Financial liabilities - Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability.

The difference in the respective carrying amounts is recognized in the statement of profit and loss.

#### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

For more information on financial instruments Refer note no 46

#### o) Investment in Subsidiaries, joint ventures and associates:

**Subsidiary:** A subsidiary is an entity controlled by the Company. Control exists when the Company has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over entity. Power is demonstrated through existing rights that give the Company the ability to direct relevant activities, those which significantly affect the entity's returns.

**Associate:** Associate entities are entities, over which an investor exercises significant influence but not control. Significant influence is defined as power to participate in the financial or operating policy decisions of the investee but not control over the policies.

The Company assumes that holding of 20% or more of the voting power of the investee (whether directly or indirectly) gives rise to significant influence, unless contrary evidences exist.

**Joint arrangement:** A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

#### p) Foreign currency transactions

In the Standalone Ind AS financial statements of the Company, transactions in currencies other than the functional currency are translated into the functional currency at the exchange rates ruling at the date of the transaction.

Monetary assets and liabilities denominated in other currencies are translated into the functional currency at exchange rates prevailing on the reporting date. Non-monetary assets and liabilities denominated in other currencies and measured at historical cost or fair value are translated at the exchange rates prevailing on the dates on which such values were determined.

All exchange differences are included in the statement of profit and loss except any exchange differences on monetary items designated as an effective hedging instrument of the currency risk of designated forecasted sales or purchases, which are recognized in the other comprehensive income.

#### q) Dividend Distribution

Dividend Distribution / Annual dividend distribution to the shareholders is recognized as a liability in the period in which the dividends are approved by the shareholders. Any interim dividend paid is recognized

on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognized directly in equity.

**r) Prior Period Items**

Errors of material amounts relating to prior period(s) are disclosed by a note with nature of prior period errors, amount of correction of each such prior period presented retrospectively in the statement of profit and loss and balance sheet, to the extent practicable along with change in basic and diluted earnings per share. However, where retrospective restatement is not practicable for a particular period then the circumstances that lead to the existence of that condition and the description of how and from where the error is corrected are disclosed in Notes on Accounts.

**s) Use of Estimates and Judgments**

The preparation of the financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates under different assumptions and conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods affected.

**(19) EXEMPTIONS CLAIMED – FIRST TIME ADOPTION OF IND AS**

IND AS 101 “First-time adoption of Indian Accounting Standards” allows first time adopters certain exemptions from the retrospective application of certain IND AS, effective for April 1, 2016 opening balance sheet.

**(A) Following exceptions to the retrospective application of other IND AS as per Appendix B of IND AS 101 have been used:**

**Derecognition of financial assets and financial liabilities** – As permitted by Ind AS 101, the Company has applied the derecognition requirements of financial assets and liabilities in Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS.

**(B) Following exemptions have been availed from other IND AS as per Appendix D of IND AS 101:**

- (a) Deemed cost for Property, Plant and Equipment (PPE) – Since there is no change in its functional currency on the date of transition to Ind AS, the Company has elected to continue with the carrying value for all of its property, plant and equipment as recognized in the Standalone Ind AS financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.
- (b) Investments in subsidiaries, joint ventures and associates – The Company has elected to adopt the deemed cost of investment in Subsidiaries, Joint Ventures and Associates at previous GAAP carrying values on the date of transition.
- (c) Decommissioning liabilities - The Company has availed the exemption for decommissioning and restoration liability and accordingly measured the discounted liability as at the date of transition, the liability prior to transition date is adjusted in retained earnings. The impact of such measurement is provided in summary of effect of transition.
- (d) The Company has decided to disclose prospectively from the date of transition the following as required by IND AS 19:
  - The present value of the defined benefit obligation, the fair value of the plan assets and the surplus or deficit in the plan, and
  - the experience adjustments arising on:
  - the plan liabilities expressed as either an amount or a percentage of the plan liabilities at the end of the reporting period; and



- the plan assets expressed as either an amount or a percentage of the plan liabilities at the end of the reporting period.

## (20) NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

**Appendix B to Ind AS 21, Foreign currency transactions and advance consideration:** On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from April 1, 2018. The company will comply with the provisions of this standard with its effective date.

**Ind AS 115- Revenue from Contract with Customers:** On March 28, 2018, the Ministry of Corporate Affairs notified Ind AS 115 Revenue from Contracts with Customers. The standard replaces Ind AS 11 Construction Contracts and Ind AS 18 Revenue. The new standard applies to contracts with customers. The core principle of the new standard is that an entity should recognize revenue to depict transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further, the new standard requires enhanced disclosures about the nature, timing and uncertainty of revenues and cash flows arising from the entity's contracts with customers. The new standard offers a range of transition options. An entity can choose to apply the new standard to its historical transactions and retrospectively adjust each comparative period. Alternatively, an entity can recognize the cumulative effect of applying the new standard at the date of initial application - and make no adjustments to its comparative information. The chosen transition option can have a significant effect on revenue trends in the financial statements. A change in the timing of revenue recognition may require a corresponding change in the timing of recognition of related costs. The standard is effective for annual periods beginning on or after 1 April 2018. The Company is currently evaluating the requirements of Ind AS 115, and has not yet determined the impact on the financial statements.

## (21) CRITICAL ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

The management believes that the estimates used in preparation of the Standalone Ind AS financial statements are prudent and reasonable. Information about estimates and judgements made in applying accounting policies that have the most significant effect on the amounts recognized in the Standalone Ind AS financial statements are as follows:

### a) **Property, plant and equipment and useful life of property, plant and equipment and intangible assets**

The carrying value of property, plant and equipment is arrived at by depreciating the assets over the useful life of assets. The estimate of useful life is reviewed at the end of each financial year and changes are accounted for prospectively.

### b) **Provisions and contingencies**

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with the applicable Ind AS.

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Where the effect of time value of money is material, provisions are determined by discounting the expected future cash flows.

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the Standalone Ind AS financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Company involved, it is not expected that such contingencies will have a material effect on its financial position or profitability (Refer Note 41)

### c) **Employee benefit expenses**

Actuarial valuation for gratuity, sick leave and leave encashment liability of the Company has been done by an independent actuarial valuer on the basis of data provided by the Company and assumptions used by the actuary. The data so provided and the assumptions used have been disclosed in the notes to accounts.

**d) Taxes**

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Deferred tax assets on unabsorbed depreciation/business loss have been recognized to the extent of deferred tax liabilities on taxable temporary differences available. It is expected that any reversals of the deferred tax liability would be offset against the reversal of the deferred tax assets. The Company has determined that it cannot recognise deferred tax assets on the tax losses carried forward as it is not probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilized. Further details on taxes are disclosed in note no 42.

**e) Impairment of accounts receivable and advances**

Trade receivables carry interest and are stated at their fair value as reduced by appropriate allowances for expected credit losses. Individual trade receivables are written off when management deems them not to be collectible. Impairment is recognized for the expected credit losses.

**f) Discounting of Security deposit, retention money and other long term liabilities**

For majority of the security deposits received from suppliers of goods or contractors and the retention moneys received, the timing of outflow, as mentioned in the underlying contracts, is not substantially long enough to discount. The treatment would not provide any meaningful information and would have no material impact on the Standalone Ind AS financial statements.

**g) Amortized Cost for Employee Loans**

Employee loans, except for computer loans, have not been recorded using Effective Interest Rate method due to absence of any material impact on Standalone Ind AS financial statements and involvement of practical difficulties.

**h) Investment in Equity Instruments**

Investments made in equity instruments other than subsidiaries, joint ventures and in associates, have been valued at fair value using the net asset value of the investee Companies as on the reporting date.

**i) Restatement of Prior Period Items**

Material prior period items, i.e. items having a value of above Rs. 5.00 Lac have been restated in the previous year financials.

- (22) Employee Benefits: The Company has not been following the provisions of Accounting Standard – 15 “Employee Benefits” issued by the Institute of Chartered Accountants of India for provision for Gratuity in the accounts prepared as per previous GAAP upto period ending 31st March, 2017. However, in Ind AS financial statements, for the year ending 31st March, 2018, the Company has followed the provision of Ind AS – 19 “Employee Benefits” with retrospective application thereof and accordingly, in standalone Ind AS financials statements, the Company has complied with the provisions of Ind AS -19 “Employee Benefits”.

**For Mansaka Ravi & Associates**

**Chartered Accountants**

**FRN 015023C**

**PRC No. 008582**

**Ravi Mansaka, FCA**

**Partner**

**Membership No. 410816**

**Date: 05-09-2018**

**Place: Jaipur**

**NOTE-1**  
**RESTATED STANDALONE STATEMENT OF PROPERTY, PLANT & EQUIPMENT**

**Period: 1st April, 2015 to 31st March, 2016**

(in Rs. million)

2015-16	Gross Carrying Amount				Depreciation				Net Carrying Amount
PARTICULARS	As on April 01, 2015	Additions During the Year	Deletion / Disposal During the Year	As on March 31, 2016	Accumulated Depreciation as on April 01, 2015	Depreciated During the Year	Deduction During the Year	Accumulated Depreciation as on March 31, 2016	As on March 31, 2016
(a) Leasehold Property	14.87			14.87	0.36	0.71		1.07	13.80
(b) Freehold Property	23.07	0.00		23.07	1.94	0.99		2.94	20.14
(c) Plant and Equipment	34.73	28.98		63.71	13.78	4.87		18.65	45.06
(d) Furniture and Fixtures	3.86	0.04		3.91	2.27	0.46		2.73	1.17
(e) Vehicles	17.56	7.38		24.94	8.59	3.61		12.20	12.74
(f) Office Equipment	3.79	1.42		5.21	2.83	0.66		3.48	1.72
(g) IP	329.45	190.93		520.37	66.38	49.60		115.98	404.39
(h) Electrical Equipment	0.34	0.00		0.34	0.21	0.04		0.25	0.09
(i) Computers & Printers	3.08	1.09		4.17	2.37	0.69		3.06	1.12
<b>Total</b>	<b>430.74</b>	<b>229.85</b>	<b>0.00</b>	<b>660.59</b>	<b>98.74</b>	<b>61.63</b>	<b>0.00</b>	<b>160.36</b>	<b>500.23</b>

Period: 1st April, 2016 to 31st March, 2017

(in Rs. million)

2016-17	Gross Carrying Amount				Depreciation				Net Carrying Amount
PARTICULARS	As on April 01, 2016	Additions During the Year	Deletion / Disposal During the Year	As on March 31, 2017	Accumulated Depreciation as on April 01, 2016	Depreciated During the Year	Deduction During the Year	Accumulated Depreciation as on March 31, 2017	As on March 31, 2017
(a) Leasehold Property	14.87			14.87	1.07	0.67		1.74	13.13
(b) Freehold Property	23.07	0.00		23.07	2.94	0.95		3.88	19.19
(c) Plant and Equipment	63.71	18.91	7.50	75.12	18.65	10.04	2.30	26.38	48.74
(d) Furniture and Fixtures	3.91	4.88		8.79	2.73	0.56		3.30	5.49
(e) Vehicles	24.94	10.58	1.15	34.37	12.20	5.32	0.77	16.76	17.61
(f) Office Equipment	5.21	1.85		7.06	3.48	1.03		4.51	2.55
(g) IP	520.37	242.97		763.34	115.98	77.49		193.47	569.87
(h) Electrical Equipment	0.34	0.00		0.34	0.25	0.03		0.28	0.06
(i) Computers & Printers	4.17	0.61		4.78	3.06	0.85		3.91	0.87
<b>Total</b>	<b>660.59</b>	<b>279.80</b>	<b>8.65</b>	<b>931.74</b>	<b>160.36</b>	<b>96.93</b>	<b>3.07</b>	<b>254.23</b>	<b>677.51</b>

Period: 1st April, 2017 to 31st March, 2018

(in Rs. million)

2017-18	Gross Carrying Amount				Depreciation				Net Carryi ng Amou nt
PARTICULARS	As on April 01, 2017	Additio ns During the Year	Deleti on / Dispos al Durin g the Year	As on March 31, 2018	Accumula ted Depreciati on as on April 01, 2017	Depreciat ion During the Year	Deducti on During the Year	Accumula ted Depreciati on as on March 31, 2018	As on March 31, 2018
(a) Leasehold Property	14.87			14.87	1.74	0.64		2.38	12.49
(b) Freehold Property	23.07	7.43		30.50	3.88	1.12		5.00	25.50
(c) Plant and Equipment	75.12	2.66		77.78	26.38	8.94		35.32	42.46
(d) Furniture and Fixtures	8.79	0.75		9.53	3.30	1.46		4.76	4.78
(e) Vehicles	34.37	7.93		42.30	16.76	5.86		22.62	19.68
(f) Office Equipment	7.06	2.10		9.16	4.51	1.31		5.82	3.34
(g) IP	763.34	102.03		865.37	193.47	92.56		286.03	579.34
(h) Electrical Equipment	0.34	0.10		0.44	0.28	0.03		0.31	0.13
(i) Computers & Printers	4.78	1.95		6.73	3.91	0.73		4.64	2.09
<b>Total</b>	<b>931.74</b>	<b>124.94</b>	<b>0.00</b>	<b>1056.69</b>	<b>254.23</b>	<b>112.64</b>	<b>0.00</b>	<b>366.87</b>	<b>689.81</b>

## Notes

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures, IV, I, II and III.

**NOTE-2**  
**RESTATED STANDALONE STATEMENT OF INTANGIBLE ASSETS**

(Rs. in million)

PARTICULARS	As At		
	31-03-2018	31-03-2017	31-03- 2016 (Proforma)
<b>I. Intangible Assets</b>			
<b>(a) Computer Software's</b>			
Opening Gross Carrying Amount	1.00	1.00	0.30
Add: Additions During the Year	0.67	0.00	0.69
Closing Gross Carrying Amount	1.67	1.00	1.00
Opening Accumulated Amortization	0.60	0.27	0.07
Add: Amortization During the Year	0.24	0.33	0.20
Closing Accumulated Amortization	0.84	0.60	0.27
Opening Net Carrying Amount	0.40	0.73	0.24
<b>Closing Net Carrying Amount</b>	<b>0.83</b>	<b>0.40</b>	<b>0.73</b>
<b>(b) Brand Trademark</b>			
<b>(c) Copyrights, Patents, other intellectual property rights, services and operating rights</b>			
<b>(d) Others</b>			

**Notes**

- The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE-3**  
**RESTATED STANDALONE STATEMENT OF NON-CURRENT TRADE RECEIVABLES**

(Rs. in million)

PARTICULARS	As At		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
<b>Unsecured, considered Good</b>			
Due from Related Parties	0.00	0.00	0.00
Others	59.95	93.81	69.02
<b>Unsecured, considered Doubtful</b>			
Due from Others	0.15	0.15	0.00
Less: Provision for Expected Credit Loss	-0.15	-0.15	0.00
<b>Total</b>	<b>59.95</b>	<b>93.81</b>	<b>69.02</b>

**Note-:**

- Carrying value of trade receivables may be affected by the changes in the credit risk of counterparties as explained in Note No. 43.
- For lien/charge against trade receivables refer Note No. 16(A).
- No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person. However, certain trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member. For details of such trade receivables refer Note No. 42.
- The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE-4**  
**RESTATED STANDALONE STATEMENT OF NON-CURRENT FINANCIAL ASSETS - INVESTMENTS**  
(Rs. in million)

PARTICULARS	As At		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
<b>Investment in Equity Instruments</b>			
<b>Quoted Investments</b>			
Shares with Corporation Bank	0.01	0.01	0.01
<b>Unquoted Investments</b>			
<b>(a) Subsidiary Companies</b>			
2,60,000 Equity Shares of Data Express Private Limited of Rs. 10/- fully paid up (Previous Year : NIL)	2.60	0.00	0.00
<b>(b) Associate Companies</b>			
(i) 50,000 Equity Shares of Vaviya Developers Pvt Ltd of Rs. 10 each fully paid-up. (Previous Year 50,000 Equity Shares of Rs. 10/- each)	0.50	0.50	0.50
(ii) 1,82,000 Equity Shares of Delix Solution Private Limited of Rs. 10/- each fully paid-up. (Previous Year : NIL)	1.82	0.00	0.00
<b>(c) Other Non-Current Investments</b>			
Capital Investment in Kon Reality - A Partnership Firm	0.07		
<b>Total</b>	<b>5.01</b>	<b>0.51</b>	<b>0.51</b>
Aggregate amount of quoted investments and market value thereof	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
Aggregate amount of unquoted investments; and	<b>5.01</b>	<b>0.51</b>	<b>0.51</b>
Aggregate provision made for diminution in value of investments	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

**Notes:-**

- Details of investment in shares of Corporation Bank Limited are not available with the company being a very old investment. Further, looking to the nominal value of investment, amortized value is considered as fair value.
- The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE-5**
**RESTATED STANDALONE STATEMENT OF OTHER FINANCIAL ASSETS - NON CURRENT**  
**(Rs. in million)**

PARTICULARS	As At		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Security Deposits	77.95	51.58	12.83
Earnest Money Deposits	3.39	3.39	1.89
Retention Money	118.87	75.41	69.88
Bank deposits having maturity more than 12 Months	93.20	33.21	30.97
<b>Total</b>	<b>293.41</b>	<b>163.59</b>	<b>115.57</b>

**Notes:-**

- Company has given certain security deposits against tenders, contract and otherwise. As the holding period of such deposits are not readily defined, the value of such deposits are taken at amortized cost. It is not possible to determine present value of such deposits in the absence of defined period.
- The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE-6**  
**RESTATED STANDALONE STATEMENT OF OTHER NON CURRENT ASSETS**

(Rs. in million)

PARTICULARS	As At		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
<b>Secured, considered good;</b>			
<b>Capital Advances</b>			
Advance to KON Reality (Durgadi)	30.00	25.50	15.50
N D Corporation (Plot Advance Vasai Virar)	3.32	3.10	3.10
Advance for Building Project	12.09	11.39	11.39
Advance for Shop (Turbhe Industrial)	0.00	6.95	6.33
Gayatri Enterprises (Bhiwandi Property)	2.25	2.25	2.25
Advance for Flat with Vaviya Developers Pvt Ltd	0.00	10.03	10.03
Adv - 3g Telecom Infra India Pvt Ltd	0.00	0.00	67.18
<b>Others</b>	0.00	0.70	0.70
<b>Total</b>	<b>47.66</b>	<b>59.91</b>	<b>116.46</b>

**Notes:-**

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III

**NOTE-7**  
**RESTATED STANDALONE STATEMENT OF INVENTORIES**

(Rs. in million)

PARTICULARS	As At		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Closing Stock - Work-In-Progress	3.30	0.00	0.00
Closing Stock - Raw Material	171.68	0.00	0.00
<b>Total</b>	<b>174.98</b>	<b>0.00</b>	<b>0.00</b>

**Notes:-**

1. Work-in-Progress pertain to contract work for which revenue has not been recognized till the date of reporting in terms of IND AS. Value of Work-in-Progress is arrived on the basis of total cost incurred till the date of reporting.
2. Inventory of material includes fiber and duct as a major component of total inventory. These materials are valued at lower of cost or net releasable value.
3. Entire inventory has been hypothecated as security against certain bank borrowings of the Company as at 31 March, 2018, 31 March, 2017 & 1 April, 2016. For more details of lien/charge against inventories refer Note No. 16(A).
4. Inventory is valued and certified by the management only.
5. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company
6. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III

**NOTE-8**  
**RESTATED STANDALONE STATEMENT OF CURRENT TRADE RECEIVABLES**

(Rs. in million)

PARTICULARS	As At		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
<b>Unsecured, considered Good</b>			
Due from Related Parties	0.00	0.00	0.00
Others	821.03	475.75	238.18
<b>Unsecured, considered Doubtful</b>			



Due from Others			
Less: Provision for Expected Credit Loss	0.00	0.00	0.00
<b>Total</b>	<b>821.03</b>	<b>475.75</b>	<b>238.18</b>

**Notes:-**

1. Carrying value of trade receivables may be affected by the changes in the credit risk of counterparties as explained in Note No. 43
2. For lien/charge against trade receivables refer Note No. 16(A).
3. No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person. However, certain trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member. For details of such trade receivables refer Note No. 39.
4. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
5. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III

**NOTE-9****RESTATED STANDALONE STATEMENT OF CASH & CASH EQUIVALENTS****(Rs. in million)**

PARTICULARS	As At		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
<b>(a) Balances with Banks</b>			
In Current and OD Accounts	1.99	134.34	5.32
In Deposit Accounts			
<b>(b) Cheque, drafts on hand</b>			
<b>(c) Cash on Hand</b>	2.74	1.85	0.09
<b>Total</b>	<b>4.72</b>	<b>136.19</b>	<b>5.41</b>

**Notes:-**

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE-10****RESTATED STANDALONE STATEMENT OF BANK BALANCES OTHER THAN CASH & CASH EQUIVALENTS****(Rs. in million)**

PARTICULARS	As At		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Bank deposits with original maturity more than 3 months but less than 12 months	1.31	12.01	3.96
<b>Total</b>	<b>1.31</b>	<b>12.01</b>	<b>3.96</b>

**Notes:-**

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE-11**  
**RESTATED STANDALONE STATEMENT OF CURRENT FINANCIAL ASSETS - LOANS**  
**(Rs. in million)**

PARTICULARS	As At		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Loans and Advances to related parties			
Loans and Advances to Employees	0.17	0.43	0.13
<b>Total</b>	<b>0.17</b>	<b>0.43</b>	<b>0.13</b>

**Notes:-**

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE-12**  
**RESTATED STANDALONE STATEMENT OF OTHER CURRENT FINANCIAL ASSETS**  
**(Rs. in million)**

PARTICULARS	As At		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Unbilled Revenue <sup>1</sup>	1503.55	281.94	243.43
<b>Total</b>	<b>1503.55</b>	<b>281.94</b>	<b>243.43</b>

**Notes:-**

1. At the balance sheet date, the cumulative costs incurred plus recognized profit (less recognized loss) on each contract (as per percentage completion method) is compared against the progress billings. Where the cumulative costs incurred plus the recognized profits (less recognized losses) exceed progress billings, the balance is presented as “unbilled revenue” i.e. due from customers on construction contracts but not billed upto the balance sheet date as per terms of contract.
2. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
3. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE-13**  
**RESTATED STANDALONE STATEMENT OTHER CURRENT ASSETS**  
**(Rs. in million)**

PARTICULARS	As At		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
<b>Unsecured and Considered Good:</b>			
Advance for Site Expenses	0.00	0.48	0.06
Advance to Creditors	13.91	3.52	3.11
Prepaid Expenses	5.72	4.78	5.04
Balances with Govt Authorities	88.74	30.73	26.80
Provisional Credit of ST Liability under RCM	0.00	0.00	0.18
TDS Recoverable from NBFC	1.04	0.91	0.49
Deferred Expenditures	2.47	2.21	3.77
Advances against Services (BSE/NSE)	1.44	0.00	0.00

Other Current Assets	0.00	0.60	0.00
<b>Total</b>	<b>113.32</b>	<b>43.23</b>	<b>39.46</b>

**Notes:-**

- The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE-14**  
**RESTATED STANDALONE SUMMARY STATEMENT OF SHARE CAPITAL**

(Rs. in million)

PARTICULARS	As At		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
<b>(a) Number and Amount of Authorized Share Capital</b>			
Number of Equity Share of Rs. 10 each	40.00	2.00	2.00
<b>Total Authorized Equity Capital</b>	<b>400.00</b>	<b>20.00</b>	<b>20.00</b>
Number of Preference Share of Rs. 10 each			
<b>Total Authorized Preference Capital</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Authorized Share Capital</b>	<b>400.00</b>	<b>20.00</b>	<b>20.00</b>
<b>(b) Issued, Subscribed &amp; Paid-up Capital</b>			
Equity Share Capital	295.00	2.50	2.50
Preference Share Capital	0.00	0.00	0.00
<b>Total</b>	<b>295.00</b>	<b>2.50</b>	<b>2.50</b>
<b>(c) Reconciliation of Number of Shares outstanding at the beginning and at the end of the reporting period</b>			
<b>Opening number of equity shares outstanding</b>	0.25	0.25	0.25
Add: Equity Shares issued during the year	0.00	0.00	0.00
Add: Bonus Shares issued during the year	29.25	0.00	0.00
<b>Closing Number of Equity Shares Outstanding</b>	<b>29.50</b>	<b>0.25</b>	<b>0.25</b>
<b>(d) The rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital</b>			

- The Company has one class of Equity shares having a par value of Rs. 10 per share. Each Shareholder is eligible for one vote per share held.
- All Equity Shareholders are eligible to receive dividends in proportion to their shareholdings.
- The dividends proposed by the Board of Directors are subject to the approval of the Shareholders in the ensuing Annual General Meeting.
- In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding.

**(e) Shareholders holding more than 5% of shares of the Company**

Name of Shareholder	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Dinesh Kollaiah Kargal	16.23	0.14	0.14
Shashikala Dinesh	13.28	0.11	0.11

(f) As the company is not a subsidiary of any Company, its shares are not held by any holding or ultimate holding company.

(g) There are no shares reserved for issue under options and contracts or commitments for the sale of shares or disinvestment.

(h) There are no shares which were allotted (i) pursuant to contracts without payment being received in cash.

(i) Details of shares allotted as fully paid up by way of bonus shares are as under during the period from 1 April, 2017 to 31 March, 2018.

No. of Equity Share of Rs. 10 each issued as bonus shares - 29,25,000

Total Face Value of Bonus shares issued during the year - 2,92,50,000

(j) There are no securities which are convertible into equity/preference shares.

(k) There are no calls which are unpaid.

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE-15**  
**RESTATED STANDALONE SUMMARY STATEMENT OF OTHER EQUITY**

(Rs. in million)

PARTICULARS	As At		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
<b>(a) Securities Premium Reserve</b>			
Balances at the beginning of the reporting period	0.00	0.00	0.00
Changes in accounting policy or prior period errors			
Restated balance at the beginning of the reporting period	0.00	0.00	0.00
Securities Premium received during the year			
Any other Change (to be specified)	0.00	0.00	0.00
<b>Balance at the end of the reporting period</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>(b) Retained Earnings</b>			
<b>Balances at the beginning of the reporting period</b>	<b>459.94</b>	<b>288.05</b>	<b>195.26</b>
Changes in accounting policy or prior period errors			
Restated balance at the beginning of the reporting period	459.94	288.05	195.26
Add: Profit/(Loss) during the year as per profit and loss account	618.30	220.04	128.89
Less: Dividends Distributed During the Year	0.00	40.00	30.00
Less: Dividend Distribution Tax	0.00	8.14	6.11
Less: Capitalization of Profits by issue of Bonus Shares	292.50		
<b>Balance at the end of the reporting period</b>	<b>785.74</b>	<b>459.94</b>	<b>288.05</b>
<b>(c) Other Comprehensive Income</b>			
<b>Balances at the beginning of the reporting period</b>	<b>-0.44</b>	<b>-0.22</b>	<b>-0.32</b>
Add: Other Comprehensive Income for the Year	1.02	-0.22	0.09
<b>Balance at the end of the reporting period</b>	<b>0.58</b>	<b>-0.44</b>	<b>-0.22</b>
<b>TOTAL OF RESERVES &amp; SURPLUSES</b>	<b>783.07</b>	<b>459.50</b>	<b>287.82</b>

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. Company is does not having any Revaluation Reserve.

3. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE-16**  
**RESTATED STANDALONE STATEMENT OF NON-CURRENT BORROWINGS**  
**(Rs. in million)**

PARTICULARS	As At		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
<b>Secured Loans</b>			
(a) Bonds or debentures;			
(b) Term Loans			
(i) from Banks;	25.94	45.63	0.40
(ii) from other parties (NBFC's)	0.00	0.00	0.00
(c) Deferred payment liabilities			
(d) Deposits;			
(e) Loans and advances from Related Parties;			
(f) Long term maturities of finance lease obligations			
(g) Other Loans and advances			
<b>Unsecured Loans</b>			
<b>(a) Term Loans</b>			
(i) from Banks;	0.00	0.00	3.48
(ii) from other parties (NBFC's)	0.00	0.00	18.82
<b>(b) Loans and advances from Related Parties;</b>	68.31	50.76	13.51
<b>Total</b>	<b>94.25</b>	<b>96.39</b>	<b>36.21</b>

**Notes:**

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary, statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.
3. List of persons/entities classified as 'Related Parties' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.
4. The terms and conditions and other information in respect of Secured Loans as on 31.03.2018 are given in Annexure -16(A) & in respect of unsecured loans are given in Annexure- 16(B).

**NOTE-16(A)**  
**RESTATED STANDALONE STATEMENT OF NON-CURRENT BORROWINGS**

(Rs. in million)

Name of Lender	Purpose	Loan\Agreement A/c No.	"Sanctioned Amount (In millions)	Rate of interest	Primary Security	Collateral/Other Security	Re-Payment Schedule	Moratorium	Outstanding amount as on 31-03-2018 as per Restated Accounts	Outstanding amount as on 31-03-2017 as per Restated Accounts
<b>Secured Loan</b>										
Parsik Janta Sahkari Bank	Vehicle Loan	558/351	0.50	12.50%	Vehicle	Vehicle	Monthly		0.00	0.20
Parsik Janta Sahkari Bank	Vehicle Loan	558/380	0.39	12.50%	Vehicle	Vehicle	Monthly		0.00	0.20
Kotak Mahindra Bank	Business Loan	0631TL0100000345	50.00	11.30%	First Charge over the Present and Future Current and Movable Fixed Assets	Equitable Mortgage over following properties:	Monthly		35.00	45.00
Kotak Mahindra Bank	Business Loan	0631TL0100000315	29.00	11.30%			Monthly		10.64	20.32
Kotak Mahindra Bank	Overdraft	8411737737	70.00	10.25% (6MMCLR 8.50% + 1.75%)		1. Flat No. 201, 2nd Floor, B-wing, No. 20, Sector 6, Navi Mumbai-400706			66.99	0.00
						2. Shop no.1, Sai Ansh, Plot No.7, Sector-11, Sanpada, Navi Mumbai				
						3. Shop No.9, Ground Floor, Sai Paradise, Plot No. 21, Sector 4, Nerul,				

						Navi Mumbai				
						4. Shop No. 1 to 12, Ground Floor, Neighborhood Shopping Center, Plot No. 10 & 11, Sector 4, Nerul, Navi Mumbai				
						5. Plot No. G-701, Neel Sidhi Jewels, Jay Balaji CHS Ltd, Plot No. 26A, Nerul, Navi Mumbai				
						6. Residential Building situated at Plot No. G 702, Neel Sidhi Jewels, Jay Balaji CHS Ltd, Plot No. 26A, Nerul, Navi Mumbai				
						7. Shop No. M-8 and O-2, 2nd Floor, Neighbourhood Shopping Center, Plot NO. 10 and 11, Sector 4, Nerul, Navi Mumbai				
						8. Office No. B, 3rd Floor, "Shrirang House" Building, CTS No. 364 + 365/1 & 364 + 365/16, Jangli Maharaj Road, Shivaji Nagar, Pune -411005				

						9. Unit No. 1201, 12th Floor, Business Bay, Kamdhenu Realities, Plot No. 51, Sector-1, Nerul, Navi Mumbai-400706					
						10. Unit No. 1202, 12th Floor, Business Bay, Kamdhenu Realities, Plot No. 51, Sector-1, Nerul, Navi Mumbai-400706					
						11. Plot No. 222/37. Shrivane, Nerul, Navi Mumbai					
						12. Flat No. 301 & 302, House No. 0493/ Sector 20, Om Sai Apartment, Belapur, 400614					
Yes Ltd	Bank	Vehicle Loan	ALN000100305755	0.60	9.50%	Vehicle	Vehicle	Monthly		0.60	
Yes Ltd	Bank	Vehicle Loan	ALN000100305768	0.60	9.50%	Vehicle	Vehicle	Monthly		0.60	
Yes Ltd	Bank	Vehicle Loan	ALN000100305769	0.60	9.50%	Vehicle	Vehicle	Monthly		0.60	
Yes Ltd	Bank	Working Capital Demand Loan	187LA04180860001	50.00	0.95% over and above Month YBL MCLR	first pari pasu charge on current assets of the Company with Kotak Bank and Proposed bank (HDFC) to enter into multiple banking arrangement. Further, secured by personal guarantee of Mr. Dinesh Karagal, Mrs. Shashikala Karagal and Mr. Darshan Karagal.		On Demand		45.00	
Yes Ltd	Bank	Bill Discounting Facility	001BM26180870008	100.00						55.00	



									<b>214.43</b>	<b>65.72</b>

**Notes:**

1. The above loans are further guaranteed by the director/partners and owner of property.
2. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
3. The above statement should be read with the significant accounting policies and notes to restated summary, statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE 16(B)****RESTATED STANDALONE STATEMENT OF TERMS & CONDITIONS OF UNSECURED LOANS**

- A) Details of Unsecured Loans outstanding as at the end of the latest Reporting period from Directors/Promoters/Group Companies and others
- B) Unsecured Loans from Directors/Promoters/Group Companies and other Companies are repayable on demand and as per rate of interest as mentioned below: -

**(Rs. in million)**

Name of Lender	Purpose	Rate of interest	Re-Payment Terms	31-03-2018	31-03-2017	31-03-2016 (Proforma)
<b>(A) From Related parties</b>						
Dinesh Kollaiah Kargal	Business	0%	On Demand	41.10	28.80	2.42
Shashikala Dinesh Kargal	Business	0%	On Demand	27.21	21.96	11.09
<b>Total (A)</b>				<b>68.31</b>	<b>50.76</b>	<b>13.51</b>
<b>(B) Loan From Others</b>						
Capital First Ltd	Business	17.25%	Monthly		3.76	7.24
Deutsche Bank	Business	13.65%	Monthly		0.97	2.73
Edleweiss Retail Finance Ltd	Business	17.25%	Monthly		2.00	3.86
Fullerton India Ltd	Business	17.25%	Monthly		2.50	4.82
IndusInd Bank Ltd	Business	18%	Monthly		2.51	4.82
Kotak Mahindra Bank	Business	18.04%	Monthly		3.42	6.90
Magma Fincorp Ltd	Business	18%	Monthly		2.02	3.88
Religare Finvest Ltd	Business	18%	Monthly		1.68	3.22
Shriram City Union Finance Ltd	Business	8.50%	Monthly		0.83	2.82
Tata Capital Financial Services Ltd	Business	17.57%	Monthly		2.01	3.86
ICICI	Business	16.49%	Monthly			0.98
Ratnakar Bank Ltd	Business	18%	Monthly			1.15
Standard Chartered Bank	Business		Monthly			2.05
Magma Fincorp Ltd	Business	18%	Monthly		0.60	1.48
Religare Finvest Ltd	Business		Monthly			0.22
Corp/ Kotak Mahindra Bank	Business		Monthly			29.96
<b>Total (B)</b>				<b>0.00</b>	<b>22.30</b>	<b>80.02</b>
<b>Grand Total (A+B)</b>				<b>68.31</b>	<b>73.06</b>	<b>93.53</b>

**Notes:**

- The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- The above statement should be read with the significant accounting policies and notes to restated summary, statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE-17****RESTATED STANDALONE STATEMENT OF NON-CURRENT PROVISIONS****(Rs. in million)**

PARTICULARS	As At		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
<b>Provisions for Employee Benefits</b>			
Provision for Defined Benefits	1.44	2.78	1.83
Provision for Leave Encashment	1.38	0.88	0.50
<b>Total</b>	<b>2.83</b>	<b>3.66</b>	<b>2.33</b>

**Notes:-**

- The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures, IV, I, II and III.

**NOTE-18**  
**RESTATED STANDALONE STATEMENT OF DEFERRED TAX (ASSETS)/LIABILITIES**  
(in Rs. million)

PARTICULARS	For the Year Ended		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
<b>Opening Balance (A)</b>			
Opening Balance of Deferred Tax (Asset) / Liability	6.04	5.17	3.12
<b>Current Year Provision (B)</b>			
(DTA) / DTL on Depreciation	4.41	0.64	2.40
(DTA) / DTL on Provision for Gratuity/Leave Encashment/Disallowances	0.10	-0.23	0.35
<b>Closing Balance of Deferred Tax (Asset) / Liability (A+B)</b>	<b>10.34</b>	<b>6.04</b>	<b>5.17</b>

**Notes: -**

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statement of profit and loss account and cash flows statement as appearing in Annexures V, IV, I, I and III.

**NOTE-19**  
**RESTATED STANDALONE STATEMENT OF OTHER NON-CURRENT LIABILITIES**  
(Rs. in million)

PARTICULARS	As At		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Lease Revenue Received In Advance (Deferred Income) <sup>1</sup>	1047.20	787.29	464.80
Retention Money from Sub-Contractor	0.00	0.60	0.00
<b>Total</b>	<b>1047.20</b>	<b>787.89</b>	<b>464.80</b>

**Notes: -**

1. Company is granting right to use the fibre capacity owned by it on the concept of IRU (Indefeasible Right to Use) which qualifies as “operating lease” in terms of Indian Accounting Standard – 17 “Leases”. Company enters into various irrevocable contracts with different telecom operators and internet service providers for long term. As per terms of contract, the purchaser (lessee) has to pay maintenance cost in advance for the entire period of validity of the agreement. Thereby, the non-current/current portion of such advance lease money which is not recognized as revenue in the profit and loss account is shown as liability for the Company.
2. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
3. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE-20**  
**RESTATED STANDALONE STATEMENT OF CURRENT BORROWINGS**  
(Rs. in million)

PARTICULARS	As At		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
<b>Secured</b>			
(a) Loans Repayable on Demand			

(i) from Banks;	166.99	0.00	78.38
(ii) from other parties	0.00	0.00	0.00
(b) Loans and advances from Related Parties;	0.00	0.00	0.00
(c) Deposits	0.00	0.00	0.00
(d) Others Loans and advances	0.00	0.00	0.00
<b>Unsecured</b>			
(a) Loans Repayable on Demand			
(i) from Banks;	0.00	0.00	0.00
(ii) from other parties	0.00	0.00	0.00
(b) Loans and advances from Related Parties;	0.00	0.00	0.00
(c) Deposits	0.00	0.00	0.00
(d) Others Loans and advances	0.00	0.00	0.00
<b>Total</b>	<b>166.99</b>	<b>0.00</b>	<b>78.38</b>

**Notes: -**

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary, statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.
3. List of persons/entities classified as 'Promoters' and 'Promoter Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.
4. The terms and conditions and other information in respect of Secured Loans as on 31.03.2018 are given in Note 16(A) & 16(B).

**NOTE-21****RESTATED STANDALONE STATEMENT OF CURRENT TRADE PAYABLES****(Rs. in million)**

<b>PARTICULARS</b>	<b>As At</b>		
	<b>31-03-2018</b>	<b>31-03-2017</b>	<b>31-03-2016 (Proforma)</b>
(a) total outstanding dues of micro enterprises and small enterprises; <sup>1</sup> and			
(b) total outstanding dues of creditors other than micro enterprises and small enterprises.			
Trade Payable for Sub-Contracts	473.21	295.23	186.74
Dues to Related Parties	1.38		
Other Trade Payables	394.83	37.92	67.32
Provision of Expenses against unbilled revenue	497.84	103.81	122.27
<b>Total</b>	<b>1367.26</b>	<b>436.97</b>	<b>376.33</b>

**Notes: -**

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary, statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.
3. Amount due to entities covered under Micro, Small and Medium Enterprises as defined in the Micro, Small, Medium Enterprises Development Act, 2006, have been identified on the basis of information available with the Company. There was no amount due to any such entities which needs to be disclosed separately.

**NOTE-22**  
**RESTATED STANDALONE STATEMENT OF OTHER CURRENT FINANCIAL LIABILITIES**  
**(Rs. in million)**

PARTICULARS	As At		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Current Maturity of Long Term Borrowings	21.49	42.39	60.54
Sundry creditors for Capital Assets	2.82	1.68	0.18
Rent Payables	0.49	0.39	1.17
Transport and Hiring Charges Payable	0.14	0.13	0.96
Professional Charges Payable	3.24	0.42	0.28
Other Expenses Payable	2.25	1.94	0.26
Dividend Distribution Tax Payable	0.00	0.00	6.11
Directors' Remuneration Payable	1.20	0.63	1.03
Salary and Wages Payables	7.32	4.95	3.33
Credit Card Dues Payables	0.01	0.09	0.00
Audit fees Payable	1.35	0.74	0.53
Telephone Charges Payable	0.00	0.00	0.05
Electricity Charges Payable	0.00	0.00	0.00
Sitting Fees Payables to Directors	0.26	0.00	0.00
Payable against Tax Payments - AVM Associates	0.03	0.00	0.00
Interest accrued but not due on borrowings	0.04	0.32	0.62
<b>Total</b>	<b>40.64</b>	<b>53.68</b>	<b>75.05</b>

**Notes:-**

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE-23**  
**RESTATED STANDALONE STATEMENT OF OTHER CURRENT LIABILITIES**  
**(Rs. in million)**

PARTICULARS	As At		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Current maturities of Leased Revenue Received in Advance (Deferred Income)	109.70	86.34	54.07
Advances from Customers	37.65	0.17	6.83
Statutory Liabilities	14.74	41.58	5.58
Provision for VAT Payable under Composition Scheme	0.00	0.00	0.49
Provision for Service tax Liability	0.00	0.00	1.09
Provision for TDS Defaults as per 26AS	0.19	0.19	0.14
Provision for TDS Expenses Payable	0.00	0.00	0.76
Advance for Site Expenses	0.31	0.00	0.00
<b>Total</b>	<b>165.84</b>	<b>128.28</b>	<b>68.95</b>

**Notes:-**

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE-24**  
**RESTATED STANDALONE STATEMENT OF CURRENT PROVISIONS**

(Rs. in million)

PARTICULARS	As At		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
<b>Provision for Employee Benefits</b>			
Provision for Defined Benefits	0.50	0.15	0.11
Provision for Leave Encashment	0.85	0.07	0.04
<b>Total</b>	<b>1.35</b>	<b>0.22</b>	<b>0.15</b>

**Notes: -**

- 1.The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2.The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE-25****RESTATED STANDALONE STATEMENT OF CURRENT TAX LIABILITIES****(Rs. in million)**

PARTICULARS	As At		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Provision for Taxation (Net of Advance Tax & TDS)	203.31	5.80	0.00
<b>Total</b>	<b>203.31</b>	<b>5.80</b>	<b>0.00</b>

**Notes: -**

- 1.The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2.The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE-26****RESTATED STANDALONE STATEMENT OF REVENUE FROM OPERATIONS****(Rs. in million)**

PARTICULARS	For the year ended		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
<b>Revenue from Contracts</b>	1525.32	1475.23	873.62
Add: Closing Unbilled Revenue	1503.55	281.94	243.43
Less: Opening Unbilled Revenue	-281.94	-243.43	0.00
<b>Sub-Total</b>	<b>2746.92</b>	<b>1513.74</b>	<b>1117.05</b>
<b>Revenue from Leasing Fibre Capacity</b>			
Billing During the Year	558.08	533.33	262.84
Add: Opening Pre-received Income	873.63	518.87	361.51
Less: Closing Pre-received Income	1156.90	873.63	518.87
<b>Sub-Total</b>	<b>274.80</b>	<b>178.58</b>	<b>105.48</b>
<b>Total</b>	<b>3021.73</b>	<b>1692.32</b>	<b>1222.53</b>

1. The figures disclosed above are based on the restated summary statement of profit or loss of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE-27**  
**RESTATED STANDALONE STATEMENT OF OTHER INCOMES**

(Rs. in million)

PARTICULARS	For the year ended		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Interest on Fixed Deposits	4.85	5.82	2.49
Interest on IT Refunds	0.99	0.26	0.00
Interest on Deposits with Parties	0.00	0.72	0.00
Discounts and Other Incomes	0.01	0.00	0.00
Rent	0.20	0.00	0.00
<b>Total</b>	<b>6.05</b>	<b>6.80</b>	<b>2.49</b>

**Notes: -**

1. The classification of other income as recurring/not-recurring, related/not-related to business activity is based on the current operations and business activity of the Company as determined by the management.
2. The figures disclosed above are based on the restated summary statement of profit or loss of the Company.
3. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE-28**  
**RESTATED STANDALONE STATEMENT OF OPERATIONAL EXPENSES**

(Rs. in million)

PARTICULARS	For the year ended on		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Labour and Sub-contract Charges	448.46	850.18	571.85
Sub-Contract Charges - Billed	647.53	81.08	13.83
Sub-Contract Charges for Unbilled Revenue	444.98	105.09	163.89
<b>Total</b>	<b>1540.96</b>	<b>1036.35</b>	<b>749.57</b>

**Notes: -**

1. The figures disclosed above are based on the restated summary statement of profit or loss of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE-29**  
**RESTATED STANDALONE STATEMENT OF PURCHASE OF MATERIALS**

(Rs. in million)

PARTICULARS	For the year ended		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Purchase of Raw Materials	388.27	73.33	93.53
<b>Total</b>	<b>388.27</b>	<b>73.33</b>	<b>93.53</b>

**Notes: -**

1. The figures disclosed above are based on the restated summary statement of profit or loss of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.



**NOTE-30**  
**RESTATED STATEMENT OF CHANGE IN INVENTORIES OF FINISHED GOODS, WIP  
AND MATERIALS**

(Rs. in million)

PARTICULARS	For the year ended		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Inventory at the end of the Year	174.98	0.00	0.00
Inventory at the beginning of the Year	0.00	0.00	26.85
<b>Increase/decrease in inventory</b>	<b>-174.98</b>	<b>0.00</b>	<b>26.85</b>

**Notes: -**

1. The figures disclosed above are based on the restated summary statement of profit or loss of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE-31**  
**RESTATED STATEMENT OF EMPLOYEE BENEFIT EXPENSES**

(Rs. in million)

PARTICULARS	For the year ended		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Salaries and Wages and other allowances	60.05	53.63	29.39
Directors' Remuneration	22.10	12.71	7.35
ESIC	0.24	0.06	0.05
Food Allowance	0.35	0.18	0.04
Provision for Gratuity	0.63	0.78	0.53
Provision for Leave Encashment	1.23	0.29	0.37
Provident Fund Contributions	1.06	0.76	0.26
Maharashtra Labour Fund	0.01	0.01	0.00
House Rent allowance	0.00	0.00	0.00
Staff Welfare Expenses	0.74	0.44	0.09
<b>Total</b>	<b>86.40</b>	<b>68.87</b>	<b>38.08</b>

**Notes: -**

1. The figures disclosed above are based on the restated summary statement of profit or loss of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE-32**  
**RESTATED STATEMENT OF FINANCE COSTS**

(Rs. in million)

PARTICULARS	For the year ended		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Interest on loan	7.86	18.48	10.41
Bank Interest	2.58	1.69	5.28
Other Borrowing Cost (upfront fees, renewal fees, DD charges, BG Commission, etc)	9.42	7.63	4.96
<b>Total</b>	<b>19.87</b>	<b>27.81</b>	<b>20.65</b>

**Notes: -**

1. The figures disclosed above are based on the restated summary statement of profit or loss of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE-33**  
**RESTATED STANDALONE STATEMENT OF DEPRECIATION AND AMORTIZATION EXPENSES**

(Rs. in million)

PARTICULARS	For the year ended		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Depreciation on Tangible Assets (Refer Note-1)	112.64	96.93	61.63
Amortization on Intangible Assets (Refer Note-2)	0.24	0.33	0.20
<b>Total</b>	<b>112.89</b>	<b>97.26</b>	<b>61.82</b>

**Notes: -**

1. The figures disclosed above are based on the restated summary statement of profit or loss of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE-34**  
**RESTATED STANDALONE STATEMENT OF OTHER EXPENSES**

(Rs. in million)

PARTICULARS	For the year ended		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Audit Fees	2.00	0.70	0.58
Business Promotion Expenses	7.20	1.17	1.04
Commission	2.50	1.30	0.00
Donation	0.00	0.19	0.00
Electricity Charges	0.90	0.79	0.73
House Keeping Charges	0.00	0.00	0.01
Hiring Expenses	2.79	0.73	0.00
Insurance	1.94	3.56	2.19
Office Expenses	1.53	1.65	2.13
Postage and Courier Charges	0.10	0.10	0.00
Interest on TDS and Service Tax	0.39	0.34	0.17

ROC charges and interest thereon	3.98	0.12	0.00
Printing and Stationery	0.47	0.28	0.29
Professional Charges	11.96	11.29	2.32
Rates and Taxes (Tax and other Govt payments)	38.15	12.67	11.51
Rent Charges	7.80	6.45	4.98
Repairs and Maintenance	4.99	6.54	2.31
Security Charges	0.34	0.34	0.33
Society Charges	0.22	0.20	0.18
Telephone and Internet Expenses	0.90	0.72	0.75
Travelling and Conveyance	10.23	7.76	3.25
Water Charges	0.05	0.02	0.02
Service Tax Liability Payable	0.00	0.00	0.00
Provision for TDS Defaults	0.00	0.05	0.00
TDS Expenses	0.00	0.00	0.00
Miscellaneous Deductions	2.47	0.00	4.25
Provision for Expected Credit Loss	0.00	0.15	0.00
<b>Total</b>	<b>100.89</b>	<b>57.10</b>	<b>37.04</b>

**Notes: -**

1. The figures disclosed above are based on the restated summary statement of profit or loss of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE-35**  
**RESTATED STATEMENT OF EXCEPTIONAL ITEMS**

(Rs. in million)

PARTICULARS	For the year ended		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Bad Debts W/Off	5.33	1.25	0.35
Excess Refund of Income-tax of Previous Years	-4.21	0.00	0.00
(Profit)/Loss on sale of fixed assets	0.00	-0.83	0.00
<b>Total</b>	<b>1.12</b>	<b>0.42</b>	<b>0.35</b>

**Notes: -**

1. The figures disclosed above are based on the restated summary statement of profit or loss of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE-36& 37**  
**RESTATED STANDALONE STATEMENT OF CURRENT TAX & DEFERRED TAX**  
**(ASSETS) / LIABILITIES**

(Rs. in million)

**Tax Expense Recognized in the Statement of Profit or Loss**

PARTICULARS	For the year ended		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
<b>Income-Tax Expenses</b>			
Current Tax	330.23	116.63	66.22
Tax for Earlier Year / Interest on Tax	0.06	0.32	0.00
Deferred Tax	3.76	0.98	2.02
<b>Total Tax Expenses</b>	<b>334.06</b>	<b>117.93</b>	<b>68.24</b>

**Movement in Deferred Tax Balances**

(in Rs. million)

PARTICULARS	For the Year Ended 31st March, 2018			
	Opening Balance	Recognized in Statement of Profit or Loss	Recognized in Other Comprehensive Income	Closing Balance
<b>Tax effect of items constituting deferred tax liabilities</b>				
Property, Plant & Equipment	7.38	4.41		11.79
<b>Sub-Total</b>	<b>7.38</b>	<b>4.41</b>	<b>0.00</b>	<b>11.79</b>
<b>Tax effect of items constituting deferred tax assets</b>				
Employee Benefit Provisions	1.34	0.64	-0.54	1.45
Temporary Disallowances under Income-tax Law	0.00		0.00	0.00
	<b>1.34</b>	<b>0.64</b>	<b>-0.54</b>	<b>1.45</b>
<b>Net Deferred Tax Liabilities/(Assets)</b>	<b>6.04</b>	<b>3.76</b>	<b>0.54</b>	<b>10.34</b>

(in Rs. million)

PARTICULARS	For the Year Ended 31st March, 2017			
	Opening Balance	Recognized in Statement of Profit or Loss	Recognized in Other Comprehensive Income	Closing Balance
<b>Tax effect of items constituting deferred tax liabilities</b>				
Property, Plant & Equipment's	6.74	0.64		7.38
<b>Sub-Total</b>	<b>6.74</b>	<b>0.64</b>	<b>0.00</b>	<b>7.38</b>
<b>Tax effect of items constituting deferred tax assets</b>				
Employee Benefit Provisions	0.86	0.37	0.11	1.34
Temporary Disallowances under Income-tax Law	0.71		-0.71	0.00
	<b>1.57</b>	<b>0.37</b>	<b>-0.60</b>	<b>1.34</b>
<b>Net Deferred Tax Liabilities/(Assets)</b>	<b>5.17</b>	<b>0.27</b>	<b>0.60</b>	<b>6.04</b>

(in Rs. million)

PARTICULARS	For the Year Ended 31st March, 2016			
	Opening Balance	Recognized in Statement of Profit or Loss	Recognized in Other Comprehensive Income	Closing Balance
<b>Tax effect of items constituting deferred tax liabilities</b>				
Property, Plant & Equipment's (Including effect of change in tax rate)	4.34	2.40		6.74
<b>Sub-Total</b>	<b>4.34</b>	<b>2.40</b>	<b>0.00</b>	<b>6.74</b>
<b>Tax effect of items constituting deferred tax assets</b>				
Employee Benefit Provisions	0.55	0.34	-0.03	0.86
Temporary Disallowances under Income-tax Law	0.67	0.04	0.00	0.71
	<b>1.22</b>	<b>0.38</b>	<b>-0.03</b>	<b>1.57</b>

<b>Net Deferred Tax Liabilities/ (Assets)</b>	<b>3.12</b>	<b>2.02</b>	<b>0.03</b>	<b>5.17</b>
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**Reconciliation of Income-tax Expenses and Restated Accounting Profits**

(in Rs. million)

<b>PARTICULARS</b>	<b>For the year ended</b>		
	<b>31-03-2018</b>	<b>31-03-2017</b>	<b>31-03-2016 (Proforma)</b>
<b>Restated Profits before Tax</b>	<b>952.35</b>	<b>337.97</b>	<b>197.13</b>
Effective Income-tax Rate in India	34.608%	34.608%	34.608%
<b>Computed Effective Tax Expenses</b>	<b>328.47</b>	<b>116.97</b>	<b>68.22</b>
Effect on account on non-deductible expenses under Income tax Act	2.32	0.74	
Other Adjustments on account of restatements	-1.68	-1.08	-2.00
<b>Income-tax Expenses Charged in Restated Statement of Profit or Loss</b>	<b>330.23</b>	<b>116.63</b>	<b>66.22</b>

**Notes: -**

1. The figures disclosed above are based on the restated summary statement of profit or loss of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE-38****RESTATED STATEMENT OF MANDATORY ACCOUNTING RATIOS**

(Rs. in million)

<b>PARTICULARS</b>	<b>For the year ended</b>		
	<b>31-03-2018</b>	<b>31-03-2017</b>	<b>31-03-2016 (Proforma)</b>
<b>Net Worth</b>	1081.32	462.00	290.32
Less: Revaluation Reserves(if any)	0.00	0.00	0.00
<b>Net Worth (A)</b>	1081.32	462.00	290.32
Restated Profit after tax	619.32	219.82	128.98
<b>Adjusted Profit after Tax available for equity shareholders (B)</b>	619.32	219.82	128.98
Number of Equity Share outstanding on every balance sheet date (C)	29.50	0.25	0.25
Weighted average no of Equity shares at the time of end of the year (D)	29.50	29.50	29.50
<b>Current Assets (E)</b>	2619.08	949.54	530.57
<b>Current Liabilities (F)</b>	1942.14	624.94	598.87
<b>Face Value per Share (in Rs.)</b>	<b>10.00</b>	<b>10.00</b>	<b>10.00</b>
Restated Basic and Diluted Earning Per Share (Rs.) (B/D) Refer Note 1 given below	<b>20.99</b>	<b>7.45</b>	<b>4.37</b>
Return on Net worth (%) (B/A)	<b>57.27</b>	<b>47.58</b>	<b>44.43</b>
Net asset value per share (A/C) (in Rs.)	<b>36.65</b>	<b>1,848.01</b>	<b>1,161.29</b>
Adjusted Net asset value per share based on Weighted average number of share (A/D) (In Rs.)	<b>36.65</b>	<b>15.66</b>	<b>9.84</b>
Current Ratio (E/F)	<b>1.35</b>	<b>1.52</b>	<b>0.89</b>

**Notes: -**

1) The ratios have been computed as below:

- (a) The Company has issued bonus shares in the ratio of 1:117 on November 21, 2017 against 250000 shares resulting into 2,92,50,000 equity shares of Rs. 10/- each.
- (b) Diluted earnings per share (Rs.) :- Net profit after tax as restated for calculating diluted EPS / Weighted average number of equity shares outstanding at the end of the period or year for diluted EPS
- (c) Return on net worth (%) :- Net profit after tax (as restated) / Net worth at the end of the period or year
- (d) Net assets value per share :- Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year

- 2) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted by the number of equity shares issued during period/year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/year.
- 3) Net worth for ratios mentioned in note 1(c) and 1(d) is = Equity share capital + Reserves and surplus (including, Securities Premium, General Reserve and surplus in statement of profit and loss).
- 4) The figures disclosed above are based on the standalone restated summary statements of the Company.
- 5) The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE-39****RESTATED STANDALONE STATEMENT OF RELATED PARTY TRANSACTION**

<b>(a)</b>	Names of the related parties with whom transaction were carried out during the years and description of relationship:		
<b>1)</b>	Company/entity owned or significantly influenced by directors/ KMP/individuals owning interest in voting power that gives them significant influence over the enterprise or their relatives	Vaviya Developers Pvt Ltd	Associate Company
		Kon Reality	Associate Firm
		Dataexpress Pvt Ltd	Subsidiary Company
		Delix Net Solutions Pvt Ltd	Associate Company
		Kon Infra Project	Associate Firm
<b>2)</b>	Key Management Personnels/Directors	Mr. Dinesh Kargal	Managing Director
		Ms. Shashikala Kargal	Director
		Mr. Darshan Kargal	Director
		Mr. Sharad Gyanchandara Gandhi	Independent Director
		Mr. Chandrashekar Shrikrishna Joshi	Independent Director
		Mr. Showraiah Lourde Kakumanu	Independent Director
		Mr. Aksh Devesh Jain	Chief Financial Officer
		Mr. Abhishek Gupta	Company Secretary
<b>3)</b>	Relative of Key Management Personnels:		

**(Rs. in million)**

<b>Sr. No.</b>	<b>Nature of Transaction</b>	<b>As At</b>		
<b>1.</b>	<b>Dinesh Kargal</b>	<b>2017-18</b>	<b>2016-17</b>	<b>2015-16</b>
	Opening (Cr)	29.77	4.39	10.24
	Remuneration	17.75	10.20	5.55
	Rent	4.76	4.76	4.10
	Dividend Paid		22.00	16.50
	Amount received/ credited	26.10	42.55	1.00
	Amount paid/ debited	35.96	32.12	16.50
	Closing (Cr)	42.42	29.77	4.39
<b>2.</b>	<b>Shashikala Kargal</b>	<b>2017-18</b>	<b>2016-17</b>	<b>2015-16</b>
	Opening (Cr)	21.97	11.30	7.71
	Remuneration	3.38	2.51	1.80
	Rent		18.00	13.50
	Dividend Paid			
	Amount received/ credited	7.90	25.88	8.30
	Amount paid/ debited	5.73	35.71	20.01
	Closing (Cr)	27.52	21.97	11.30
<b>3.</b>	<b>Darshan Kargal</b>	<b>2017-18</b>	<b>2016-17</b>	<b>2015-16</b>
	Opening (Cr)	0.00	0.00	0.00
	Others	0.11		
	Sitting Fees	0.17		

	Credit Card payments	0.08		
	Amount received/ credited	0.08	0.03	
	Amount paid/ debited	0.13	0.03	
	<b>Closing (Cr)</b>	0.15	0.00	0.00
4.	<b>Vaviya Developers Pvt Ltd</b>	<b>2017-18</b>	<b>2016-17</b>	<b>2015-16</b>
	<b>Opening (Cr)</b>	-10.03	-10.03	-7.50
	Advance for Flat	-10.03		2.53
	Amount received/ credited			
	Amount paid/ debited			
	<b>Closing (Cr)</b>	0.00	-10.03	-10.03
5.	<b>KON Reality (Durgadi)</b>	<b>2017-18</b>	<b>2016-17</b>	<b>2015-16</b>
	<b>Opening (Cr)</b>	-25.50	-15.50	0.00
	Purchase of Property	-4.50	-10.00	-15.50
	Dividend Paid			
	Amount received/ credited			
	Amount paid/ debited			
	<b>Closing (Cr)</b>	-30.00	-25.50	-15.50
6.	<b>Dataexpress Private Ltd</b>	<b>2017-18</b>	<b>2016-17</b>	<b>2015-16</b>
	<b>Opening (Cr)</b>	0.00	0.00	0.00
	Purchase of Property			
	Dividend Paid			
	Amount received/ credited	0.40		
	Amount paid/ debited	0.40		
	<b>Closing (Cr)</b>	0.00	0.00	0.00
7.	<b>Delix Net Solutions Private Ltd</b>	<b>2017-18</b>	<b>2016-17</b>	<b>2015-16</b>
	<b>Opening (Cr)</b>	0.00	0.00	0.00
	Purchase of Property			
	Dividend Paid			
	Amount received/ credited	0.35		
	Amount paid/ debited	0.35		
	<b>Closing (Cr)</b>	0.00	0.00	0.00
8.	<b>Mr. Sharad Gyanchandara Gandhi</b>	<b>2017-18</b>	<b>2016-17</b>	<b>2015-16</b>
	<b>Opening (Cr)</b>	0.00	0.00	0.00
	Sitting Fees	0.04		
	Amount paid/ debited	0.00		
	<b>Closing (Cr)</b>	0.04	0.00	0.00
9.	<b>Mr. Chandrashekar Shrikrishna Joshi</b>	<b>2017-18</b>	<b>2016-17</b>	<b>2015-16</b>
	<b>Opening (Cr)</b>	0.00	0.00	0.00
	Sitting Fees	0.60		
	Amount paid/ debited	0.01		
	<b>Closing (Cr)</b>	0.59	0.00	0.00
10.	<b>Mr. Showraiah Lourde Kakumanu</b>	<b>2017-18</b>	<b>2016-17</b>	<b>2015-16</b>
	<b>Opening (Cr)</b>	0.00	0.00	0.00
	Sitting Fees	0.02		
	Amount paid/ debited	0.00		
	<b>Closing (Cr)</b>	0.02	0.00	0.00
11.	<b>Mr. Aksh Devesh Jain</b>	<b>2017-18</b>	<b>2016-17</b>	<b>2015-16</b>
	<b>Opening (Cr)</b>	0.17	0.00	0.00

	Sitting Fees	0.87	0.17	
	Amount paid/ debited	0.00		
	<b>Closing (Cr)</b>	1.04	0.17	0.00
12.	<b>Mr. Abhishek Gupta</b>	<b>2017-18</b>	<b>2016-17</b>	<b>2015-16</b>
	<b>Opening (Cr)</b>	0.00	0.00	0.00
	Salary / Remuneration	0.07	0.00	
	Amount paid/ debited	0.00		
	<b>Closing (Cr)</b>	0.07	0.00	0.00

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.
3. List Company/entity owned or significantly influenced by directors/ KMP, Key Management personnel, and Relative of Key Management Personnel have been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.



**NOTE-40**  
**RESTATED STANDALONE STATEMENT OF CONTINGENT LIABILITIES AND COMMITMENTS**

(Rs. in million)

PARTICULARS	For the year ended		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
<b>Contingent Liabilities</b>			
(a) Claims against the company not acknowledged as debt;	0.00	0.00	0.00
(b) Guarantees & LC excluding financial guarantees;	374.21	179.36	126.20
(c) Other money for which the company is contingently liable	0.00	0.00	0.00
<b>Commitments</b>	0.00	0.00	0.00
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	0.00	0.00	0.00
(b) Uncalled liability on shares and other investments partly paid	0.00	0.00	0.00
(c) Other commitments	0.00	0.00	0.00
<b>Total</b>	<b>374.21</b>	<b>179.36</b>	<b>126.20</b>

**Notes: -**

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

**NOTE-41**  
**STATEMENT OF FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES**

This section gives an overview of the significance of financial instruments for the Company and provides additional information on the balance sheet. Details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized, in respect of each class of financial assets and financial liabilities are disclosed in Annexure-V.

(Rs. in million)

PARTICULARS	31st March, 2018				
	FVTPL	FVTOCI	Amortized Cost	Carrying Value	Fair Value
<b>Financial Assets</b>					
Cash & Cash Equivalents			4.72	4.72	4.72
Other Bank Balances			1.31	1.31	1.31
Non-Current Investments	5.01			5.01	5.01
Current Investments			0.00	0.00	0.00
Loans Non-Current			0.00	0.00	0.00
Loans Current			0.17	0.17	0.17
Non-Current Trade Receivables			59.95	59.95	59.95
Current Trade Receivables			821.03	821.03	821.03
Other Non-Current Financial Assets	93.20		200.21	293.41	293.41
Other Current Financial Assets			1503.55	1503.55	1503.55
	<b>98.21</b>	<b>0.00</b>	<b>2590.95</b>	<b>2689.15</b>	<b>2689.15</b>
<b>Financial Liabilities</b>					
Borrowing - Non Current			94.25	94.25	94.25
Borrowing - Current			166.99	166.99	166.99
Trade Payables			1367.26	1367.26	1367.26
Other Non-Current Financial			0.00	0.00	0.00

Liabilities					
Other Current Financial Liabilities			40.64	40.64	40.64
				0	0
	<b>0.00</b>	<b>0.00</b>	<b>1669.14</b>	<b>1669.14</b>	<b>1669.14</b>

(Rs. in million)

PARTICULARS	31st March, 2017				
	FVTPL	FVTOCI	Amortized Cost	Carrying Value	Fair Value
<b>Financial Assets</b>					
Cash & Cash Equivalents			136.19	136.19	136.19
Other Bank Balances			12.01	12.01	12.01
Non-Current Investments	0.51			0.51	0.51
Current Investments			0.00	0.00	0.00
Loans Non-Current				0.00	0.00
Loans Current			0.43	0.43	0.43
Non-Current Trade Receivables			93.81	93.81	93.81
Current Trade Receivables			475.75	475.75	475.75
Other Non-Current Financial Assets	33.21		130.38	163.59	163.59
Other Current Financial Assets			281.94	281.94	281.94
	<b>33.72</b>	<b>0.00</b>	<b>1130.51</b>	<b>1164.23</b>	<b>1164.23</b>
<b>Financial Liabilities</b>					
Borrowing - Non Current			96.39	96.39	96.39
Borrowing - Current			0.00	0.00	0.00
Trade Payables			436.97	436.97	436.97
Other Non-Current Financial Liabilities			0.00	0.00	0.00
Other Current Financial Liabilities			53.68	53.68	53.68
				0.00	0.00
	<b>0.00</b>	<b>0.00</b>	<b>587.04</b>	<b>587.04</b>	<b>587.04</b>

(Rs. in million)

PARTICULARS	April 1, 2016				
	FVTPL	FVTOCI	Amortized Cost	Carrying Value	Fair Value
<b>Financial Assets</b>					
Cash & Cash Equivalents			5.41	5.41	5.41
Other Bank Balances			3.96	3.96	3.96
Non-Current Investments	0.51			0.51	0.51
Current Investments			0.00	0.00	0.00
Loans Non-Current			0.00	0.00	0.00
Loans Current			0.13	0.13	0.13
Non-Current Trade Receivables			69.02	69.02	69.02
Current Trade Receivables			238.18	238.18	238.18
Other Non-Current Financial Assets	30.97		84.60	115.57	115.57
Other Current Financial Assets			243.43	243.43	243.43
	<b>31.48</b>	<b>0.00</b>	<b>644.73</b>	<b>676.21</b>	<b>676.21</b>
<b>Financial Liabilities</b>					
Borrowing - Non Current			36.21	36.21	36.21
Borrowing - Current			78.38	78.38	78.38
Trade Payables			376.33	376.33	376.33

Other Non-Current Financial Liabilities			0.00	0.00	0.00
Other Current Financial Liabilities			75.05	75.05	75.05
				0	0
	<b>0.00</b>	<b>0.00</b>	<b>565.97</b>	<b>565.97</b>	<b>565.97</b>

### Fair Valuation Techniques

The fair value of the financial assets and liabilities are included at the amount that would be received to sell an asset and paid to transfer a liability in an orderly transaction between market participants.

### The following methods and assumptions were used to estimate fair values:

- Fair value of cash and deposits, trade receivables, trade payables, current borrowings, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- Interest free security deposits accepted by the Company have been carried at their amortized cost as their discounting will not represent the meaningful and fair information and the contractual term for which they are received is not substantially long.
- IND AS 101 allows the Company to fair value its Property, Plant and Equipment. However, on transition to IND AS, the Company has opted for the exemption of deemed cost where the assets are carried forward at their existing carrying amounts as per Indian GAAP.
- IND AS 101 allows the Company to fair value its investment in subsidiary, associates and joint ventures. However, on transition to IND AS, the Company has opted for the exemption where the investments have been carried forward at their existing carrying amounts as per Indian GAAP.
- The investments in equity shares (apart from Subsidiaries, JVs and Associates) made by the Company have been recorded at their fair value using the market price of the share and where market price was not available, using the Net Asset method to value the shares.
- Non-Current borrowing including current maturity of long term borrowings: Fair value has been determined by the Company based on parameters such as interest rates, risk factors and the risk characteristics of the financed project.

There has been no transfer between level 1 and level 2 during the above periods.

## NOTE-42 STATEMENT OF EMPLOYEE BENEFITS

### 42.1 Gratuity (Non Funded)

#### I. Liability/(Asset) to be recognized in the Balance Sheet

(Rs. in million)

Amount in Balance Sheet	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Defined Benefit Obligation (DBO)	1.95	2.93	1.95
Fair value of Plan Assets		0.00	
Funded Status- (Surplus)/Deficit	1.95	2.93	1.95
<b>Liability/(Asset) recognized in the Balance Sheet</b>	<b>1.95</b>	<b>2.93</b>	<b>1.95</b>

#### II. Bifurcation of DBO into Current and Non-Current Portion

(Rs. in million)

Current/ Non-Current Benefit obligation/asset	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Current Liability	0.50	0.15	0.11
Non-Current Liability	1.44	2.78	1.83
<b>Liability/(Asset) recognized in the Balance Sheet</b>	<b>1.95</b>	<b>2.93</b>	<b>1.95</b>

**III. Expense recognized during the year in the Statement of Profit and Loss**

(Rs. in million)

Particulars	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Current Service Cost	0.43	0.64	0.42
Interest Cost	0.21	0.15	0.11
Expected Return on Plan Assets		0.00	
<b>Total Expense/(Income) included in "Employee benefit Expense"</b>	<b>0.63</b>	<b>0.78</b>	<b>0.53</b>

**IV. Expense recognized during the year in the Statement of Other Comprehensive Income(OCI)**

(Rs. in million)

Particulars	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Amount recognized in OCI, Beginning of period	<b>0.49</b>	<b>0.29</b>	<b>0.38</b>
<b>Re measurements due to:</b>	<b>0.00</b>	<b>0.00</b>	
Effect of change in financial assumptions	-0.02	0.00	
Effect of experience adjustments	-1.60	0.20	-0.09
Actuarial (Gains)/Losses	-1.61	0.20	-0.09
Return on plan assets (excluding interest)	0.00	0.00	
<b>Total re measurements recognized in OCI</b>	<b>-1.61</b>	<b>0.20</b>	<b>-0.09</b>
<b>Amount recognized in OCI, End of Period</b>	<b>-1.12</b>	<b>0.49</b>	<b>0.29</b>

**V. Reconciliation of amounts in Balance**

(Rs. in million)

Particulars	31-03-2018	31-03-2017	31-03-2016 (Proforma)
<b>Opening Balance Sheet (Asset)/Liability</b>	<b>2.93</b>	<b>1.95</b>	<b>1.51</b>
Total Expense/(Income) recognized in P&L	0.63	0.78	0.53
Actual Employer Contribution	0.00	0.00	
Total Re measurements Recognized in Other Comprehensive (Income)/Loss	-1.61	0.20	-0.09
Acquisition/ Business Combination/ Divestiture	0.00	0.00	
<b>Closing Balance Sheet (Asset)/Liability</b>	<b>1.95</b>	<b>2.93</b>	<b>1.95</b>

(Rs. in million)

Change in Present Value of Benefit Obligation during the Period	For the year ended 31-03-2018	For the year ended 31-03-2017	For the year ended 31-03-2016 (Proforma)
<b>Defined Benefit Obligation, Beginning of Period</b>	<b>2.93</b>	<b>1.95</b>	<b>1.51</b>
Current Service Cost	0.43	0.64	0.42
Interest Cost	0.21	0.15	0.11
Actuarial (Gains)/Losses	-1.61	0.20	-0.09
Actual Benefits Paid	0.00	0.00	
<b>Defined Benefit Obligation, End of Period</b>	<b>1.95</b>	<b>2.93</b>	<b>1.95</b>

(in Rs. million)

Other Items	For the year ended 31-03-2018	For the year ended 31-03-2017	For the year ended 31-03-2016 (Proforma)
<b>Weighted average duration (based on discounted cash flow)</b>	<b>20.00</b>	<b>17.00</b>	<b>17.00</b>

## VI. Sensitivity analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible. Please note that the sensitivity analysis presented below may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated. The results of sensitivity analysis are given below:

(Rs. in million)			
Period	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Defined Benefit Obligation (Base)	1.95 @ Salary Increase Rate : 5%, and discount rate :7%	2.93 @ Salary Increase Rate : 5%, and discount rate :7.5%	1.95 @ Salary Increase Rate : 5%, and discount rate :7.5%
Liability with x% increase in Discount Rate	1.90; x=1.00% [Change (2)% ]	2.69; x=1.00% [Change (8)% ]	1.79; x=1.00% [Change (8)% ]
Liability with x% decrease in Discount Rate	1.99; x=1.00% [Change 2% ]	3.20; x=1.00% [Change 9% ]	2.13; x=1.00% [Change 9% ]
Liability with x% increase in Salary Growth Rate	1.99; x=1.00% [Change 2% ]	3.16; x=1.00% [Change 8% ]	2.09; x=1.00% [Change 7% ]
Liability with x% decrease in Salary Growth Rate	1.90; x=1.00% [Change (2)% ]	2.73; x=1.00% [Change (7)% ]	1.83; x=1.00% [Change (6)% ]
Liability with x% increase in withdrawal Rate	1.93; x=1.00% [Change (1)% ]	2.96; x=1.00% [Change 1% ]	1.96; x=1.00% [Change 1% ]
Liability with x% decrease in withdrawal Rate	1.93; x=1.00% [Change 1% ]	2.89; x=1.00% [Change (1)% ]	1.92; x=1.00% [Change (1)% ]

## VII. Expected Undiscounted Cash Flows

(Rs. in million)			
Expected cash flows	As On		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
01 Apr 2018 to 31 Mar 2019	0.58	0.17	0.11
01 Apr 2019 to 31 Mar 2020	0.70	0.17	0.13
01 Apr 2020 to 31 Mar 2021	1.08	0.19	0.13
01 Apr 2021 to 31 Mar 2022	1.00	0.44	0.14
01 Apr 2022 to 31 Mar 2023	1.12	0.27	0.29
01 Apr 2023 Onwards		2.93	2.11

				(in Rs. million)
VIII.	Projection for next period:			
	Best estimate for contribution during next Period	1.07	0.94	0.69

## IX Plan provisions considered for carrying out actuarial valuation

Particulars	For the year ended 31st March 2018, 31st March 2017 & 31st March, 2016
Eligibility	All employees
Qualifying salary	Monthly Basic
Qualifying service	Completed years of Continuous service with part thereof in excess of six months
Form of payment	Lump sum
Retirement benefit	15/26 x Last drawn salary x Past Service (Yr)
Withdrawal benefit	15/26 x Last drawn salary x Past Service (Yr)
Death benefit	15/26 x Last drawn salary x Past Service (Yr)
Vesting Period	Five years of service

## X Data used for Actuarial Valuation

Membership data	For the Year Ended		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Number of Members	305	228	119
Total monthly Salary (in Rs. Millions)	3.84	2.94	2.00
Average monthly Salary (in Rs.)	12,602.00	12,878.49	16,775.63
Average age (Years)	31.50	31.10	30.60
Average Future Service (Years)	28.50	28.90	29.40
Average Past Service (Years)	1.60	1.70	1.60

## XI Actuarial Assumptions

Financial Assumptions	For the Year Ended		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Discount Rate	7.50%	7.50%	7.50%
Salary Escalation rate	5.00%	5.00%	5.00%
Expected return on assets	0.00%	0.00%	0.00%

Demographic assumptions	For the Year Ended		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Mortality Table*	Indian Assured Lives Mortality (2006-08) Ult.	Indian Assured Lives Mortality (2006-08) Ult.	Indian Assured Lives Mortality (2006-08) Ult.
Withdrawal Rate	36% p.a.	5% p.a.	5% p.a.
Retirement age	60 years	60 years	60 years

Timing related assumptions	For the year ended 31st March 2018, 2017 & 2016
Time of retirement	Immediately on achieving normal retirement
Salary increase frequency	Once a year

\* **Mortality Rate:** Represents mortality rates from Indian Assured Lives Mortality (2006-08) Ult. Are given in the table below.

Age	Rate
20	0.000888
25	0.000984
30	0.001056
35	0.001282
40	0.001803
45	0.002874
50	0.004946
55	0.007888
60	0.011534
65	0.017009
70	0.258550
75	0.039637

### Discount Rate

Discount Rate for the valuation is based on Yield to Maturity (YTM) available on Government bonds having similar term to decrement-adjusted estimated term of liabilities. For valuation as at 31st March 2017 / 31st March, 2016 the estimated term of liabilities is 8.56 / 8.16 years, corresponding to which YTM on government bonds is 7.05% / 7.68% respectively, after rounding to nearest 0.05%.

Estimated term of liabilities, for selection of discount rate, is calculated as average term of all future benefit payments on account of death, retirement or resignation weighted by corresponding amount of benefits.

**Salary escalation rate**

Salary escalation assumption has been set based on the estimates of overall long-term salary growth rates after taking into consideration expected earnings inflation as well as performance and seniority related increases.

**Withdrawal rate**

Assumptions regarding withdrawal rates are also set based on the estimates of expected long-term future employee turnover within the organization.

**Mortality rate**

Indian Assured Lives Mortality (2006-08) Ult. as issued by Institute of Actuaries of India has been used.

**Projected Unit Credit Method**

Privilege Leave Plan is classified as Defined Benefit plan as enterprise's obligation is to provide agreed benefits to plan members. Actuarial & Investment risks are borne by the Company.

As required under Para 51 (b) of Ind AS 19, valuation of plan benefits is done using Projected Unit Credit Method. Under this method, only benefits accrued till the date of valuation (i.e. based on service upto date of valuation) are considered for valuation. Present value of Defined Benefit Obligation is calculated by projecting salaries, exits due to death, resignation and other decrements, if any, and benefit payments made during each month till the time of retirement of each active member using assumed rates of salary escalation, mortality & employee turnover rates. The expected benefit payments are then discounted back from the expected future date of payment to the date of valuation using the assumed discount rate.

Ind AS 19 also requires 'Service Cost' to be calculated separately in respect of benefit accrued during the current period. Service Cost is calculated using the same method as described above; however instead of all accrued benefits, benefit accrued over the current reporting period is considered.

**Modelling Assumptions**

Decrement due to death & resignation are assumed to occur uniformly throughout the year.

Members above Normal Retirement Age are assumed to retire immediately after the reporting date.

**42.2 Leave Encashment (Non Funded)****I. Liability/(Asset) to be recognized in the Balance Sheet****(Rs. in million)**

Amount in Balance Sheet	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Defined Benefit Obligation (DBO)	2.23	0.95	0.53
Fair value of Plan Assets		0.00	0.00
Funded Status- (Surplus)/Deficit	2.23	0.95	0.53
<b>Liability/(Asset) recognized in the Balance Sheet</b>	<b>2.23</b>	<b>0.95</b>	<b>0.53</b>

**II. Bifurcation of DBO into Current and Non-Current Portion****(Rs. in million)**

Current/ Non-Current Benefit obligation/asset	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Current Liability	0.85	0.07	0.04
Non-Current Liability	1.38	0.88	0.50
<b>Liability/(Asset) recognized in the Balance Sheet</b>	<b>2.23</b>	<b>0.95</b>	<b>0.53</b>

**III. Expense recognized during the year in the Statement of Profit and Loss****(Rs. in million)**

Particulars	For the year ended 31-03-2018	For the year ended 31-03-2017	For the year ended 31-03-2016 (Proforma)
Current Service Cost	1.25	0.59	0.35
Interest Cost	0.07	0.04	0.02
Expected Return on Plan Assets		0.00	0.00
<b>Total Expense/(Income) included in "Employee benefit Expense"</b>	<b>1.31</b>	<b>0.63</b>	<b>0.37</b>

**IV. Expense recognized during the year in the Statement of Other Comprehensive Income(OCI)**  
(Rs. in million)

Particulars	For the year ended 31-03-2018	For the year ended 31-03-2017	For the year ended 31-03-2016 (Proforma)
Amount recognized in OCI, Beginning of period	0.18	0.05	0.09
Re measurements due to:	0.00	0.00	0.00
Effect of change in financial assumptions	0.22	0.00	0.00
Effect of experience adjustments	-0.16	0.13	-0.04
Actuarial (Gains)/Losses	0.05	0.13	-0.04
Return on plan assets (excluding interest)	0.00	0.00	0.00
<b>Total re measurements recognized in OCI</b>	<b>0.05</b>	<b>0.13</b>	<b>-0.04</b>
<b>Amount recognized in OCI, End of Period</b>	<b>0.23</b>	<b>0.18</b>	<b>0.05</b>

**V. Reconciliation of amounts in Balance Sheet**  
(Rs. in million)

Particulars	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Opening Balance Sheet (Asset)/Liability	0.95	0.53	0.20
Total Expense/(Income) recognized in P&L	1.31	0.63	0.37
Actual Employer Contribution	0.00	0.00	0.00
Total Re measurements Recognized in Other Comprehensive (Income)/Loss	0.05	0.13	-0.04
Benefits Paid	-0.09	-0.34	0.00
Acquisition/ Business Combination/ Divestiture	0.00	0.00	
<b>Closing Balance Sheet (Asset)/Liability</b>	<b>2.23</b>	<b>0.95</b>	<b>0.53</b>

(Rs. in million)

Change in Present Value of Benefit Obligation during the Period	For the year ended 31-03-2018	For the year ended 31-03-2017	For the year ended 31-03-2016 (Proforma)
Defined Benefit Obligation, Beginning of Period	0.95	0.53	0.20
Current Service Cost	1.25	0.59	0.35
Interest Cost	0.07	0.04	0.02
Actuarial (Gains)/Losses	0.05	0.13	-0.04
Actual Benefits Paid	-0.09	-0.34	
<b>Defined Benefit Obligation, End of Period</b>	<b>2.23</b>	<b>0.95</b>	<b>0.53</b>

(in Rs. million)

Other Items	For the year ended 31-03-2018	For the year ended 31-03-2017	For the year ended 31-03-2016 (Proforma)
Weighted average duration (based on discounted cash flow)	27.00	27.00	28.00



## VI. Sensitivity analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible. Please note that the sensitivity analysis presented below may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated. The results of sensitivity analysis are given below:

Period	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Defined Benefit Obligation (Base)	2.23	0.96	0.534
Liability with x% increase in Discount Rate	2.18; x=1.00% [Change (2)% ]	.85; x=1.00% [Change (10)% ]	0.48; x=1.00% [Change (10)% ]
Liability with x% decrease in Discount Rate	2.29; x=1.00% [Change 3% ]	1.07; x=1.00% [Change 12% ]	0.60; x=1.00% [Change 12% ]
Liability with x% increase in Salary Growth Rate	2.29; x=1.00% [Change 3% ]	1.07; x=1.00% [Change 13% ]	0.60; x=1.00% [Change 13% ]
Liability with x% decrease in Salary Growth Rate	2.17; x=1.00% [Change (2)% ]	0.85; x=1.00% [Change (11)% ]	0.48; x=1.00% [Change (10)% ]
Liability with x% increase in withdrawal Rate	2.23; x=1.00% [Change 0% ]	0.98; x=1.00% [Change 3% ]	0.55; x=1.00% [Change 3% ]
Liability with x% decrease in withdrawal Rate	2.23; x=1.00% [Change 0% ]	0.92; x=1.00% [Change (4)% ]	0.51; x=1.00% [Change (4)% ]

VII. Projection for next period:	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Best estimate for contribution during next Period (in Rs.)	924	5093	

## VIII Plan provisions considered for carrying out actuarial valuation

Particulars	For the year ended 31st March 2018, 31st March 2017 & 31st March, 2016
Eligibility	All employees
Qualifying salary	As per Rules of Company
Qualifying service	Completed years of Continuous service with part thereof in excess of six months
Form of payment	Lump sum
Retirement benefit	1/30 x Salary x Number of Leaves
Withdrawal benefit	1/30 x Salary x Number of Leaves
Death benefit	1/30 x Salary x Number of Leaves

## IX Data used for Actuarial Valuation

Membership data	For the Year Ended		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Number of Members	305	228	119
Total monthly Salary (in Rs. Millions)	3.84	2.94	2.00
Average monthly Salary (in Rs.)	12,602.00	12,878.49	16,775.63
Average age (Years)	31.50	31.10	30.6
Average Past Service (Years)	1.60	1.70	1.6
Average Future Service (Years)	28.50	28.90	29.4
Total Leave With Cap/Without Cap	7,844/7,844	4438	1818/1818
Total CTC for Availment/ Rate (in Rs.)	76,87,222 / 3%	58,72,593	3992600/3%

## X Actuarial Assumptions

Financial Assumptions	For the Year Ended
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	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Discount Rate	7.00%	7.50%	7.50%
Salary Escalation rate	5.00%	5.00%	5.00%
Expected return on assets	0.00%	0.00%	0.00%

Demographic assumptions	For the Year Ended		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Mortality Table*	Indian Assured Lives Mortality (2006-08) Ult.	Indian Assured Lives Mortality (2006-08) Ult.	Indian Assured Lives Mortality (2006-08) Ult.
Withdrawal Rate	36% p.a.	5% p.a.	5% p.a.
Retirement age	60 years	60 years	60 years

Timing related assumptions	For the year ended 31st March 2018, 2017 & 2016
Time of retirement	Immediately on achieving normal retirement
Salary increase frequency	Once a year

\* **Mortality Rate:** Represents mortality rates from Indian Assured Lives Mortality (2006-08) Ult. Are given in the table below.

Age	Rate
20	0.000888
25	0.000984
30	0.001056
35	0.001282
40	0.001803
45	0.002874
50	0.004946
55	0.007888
60	0.011534
65	0.017009
70	0.258550
75	0.039637

#### Discount Rate

Discount Rate for the valuation is based on Yield to Maturity (YTM) available on Government bonds having similar term to decrement-adjusted estimated term of liabilities. For valuation as at 31st March 2017 /31st March, 2016 the estimated term of liabilities is 8.56 / 8.16 years, corresponding to which YTM on government bonds is 7.05% / 7.68% respectively, after rounding to nearest 0.05%.

Estimated term of liabilities, for selection of discount rate, is calculated as average term of all future benefit payments on account of death, retirement or resignation weighted by corresponding amount of benefits.

#### Salary Escalation rate

Salary escalation assumption has been set based on the estimates of overall long-term salary growth rates after taking into consideration expected earnings inflation as well as performance and seniority related increases.

#### Withdrawal rate

Assumptions regarding withdrawal rates are also set based on the estimates of expected long-term future employee turnover within the organization.

#### Mortality rate

Indian Assured Lives Mortality (2006-08) Ult. as issued by Institute of Actuaries of India has been used.

#### Projected Unit Credit Method

Privilege Leave Plan is classified as Defined Benefit plan as enterprise's obligation is to provide agreed benefits to plan members. Actuarial & Investment risks are borne by the Company.

As required under Para 51 (b) of Ind AS 19, valuation of plan benefits is done using Projected Unit Credit Method. Under this method, only benefits accrued till the date of valuation (i.e. based on service upto date of valuation) are considered for valuation. Present value of Defined Benefit Obligation is calculated by projecting salaries, exits due to death, resignation and other decrements, if any, and benefit payments made during each month till the time of retirement of each active member using assumed rates of salary escalation, mortality & employee turnover rates. The expected benefit payments are then discounted back from the expected future date of payment to the date of valuation using the assumed discount rate.

Ind AS 19 also requires 'Service Cost' to be calculated separately in respect of benefit accrued during the current period. Service Cost is calculated using the same method as described above; however instead of all accrued benefits, benefit accrued over the current reporting period is considered.

**Modelling Assumptions**

Decrements due to death & resignation are assumed to occur uniformly throughout the year

Members above Normal Retirement Age are assumed to retire immediately after the reporting date.

## NOTE-43

### STATEMENT OF FINANCIAL RISK MANAGEMENT

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

#### Financial Risk Factors

The Company's principal financial liabilities comprise of current and non-current borrowings, trade and other payables, advance from customers, security deposits, retention moneys and other such payables. The main purpose of these financial liabilities is to manage finances for the Company's operations and also for purchase of capital assets and for safeguarding its interests under contracts.

The Company has given loans to its employees, trade and other receivables, investments in equity shares and cash and cash equivalents that arise directly from its operations as a part of its financial assets.

#### The Company's activities expose it to a variety of financial risks:

##### a) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

##### Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry.

A default on a financial asset is when the counterparty fails to make contractual payments within 90 days of when they fall due. This definition of default is determined by considering the business environment in which Company operates and other macro-economic factors. Credit quality of a customer is assessed based on its credit worthiness and historical dealings with the Company, market intelligence and goodwill. Outstanding customer receivables are regularly monitored.

The Company has established an allowance for impairment that represents its expected credit losses in respect of trade and other receivables. The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables and 12-month expected credit loss for other receivables. An impairment analysis is performed at each reporting date on an individual basis for major parties.

##### Cash and cash equivalents

Credit risk on cash and cash equivalents and other deposits with banks is limited as the Company generally invest in deposits with banks with high credit ratings assigned by external credit rating agencies, accordingly the Company considers that the related credit risk is low. Impairment on these items are measured on the 12-month expected credit loss basis.

##### b) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

**Financial Instruments affected by Market Price Risk include investments made in equity instruments by the Company.**

There are no currency rate risk on the Company since all the transactions are done in the functional currency (INR).

**c) Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Management monitors rolling forecasts of the group's liquidity position and cash and cash equivalents on the basis of expected cash flows.

**d) Interest Rate Risk**

The Company is exposed to interest rate risk on short-term and long-term borrowings. The Company's policy is to maintain a balance of fixed and floating interest rate borrowings and proportion of fixed and floating rate debt is determined by current market interest rates. The borrowings of the Company are principally denominated in Indian Rupees and accordingly, there is no currency exchange risk on interest rate.

The Company's borrowings and deposits/loans are all at fixed rate and are carried at amortized cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

**NOTE-44****STATEMENT OF CAPITAL MANAGEMENT**

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth and maximize the shareholders' value. The Company's overall strategy remains unchanged from previous year. The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments. The funding requirements are met through a mixture of equity, internal fund generation and borrowed funds. The Company's policy is to use short term and long-term borrowings to meet anticipated funding requirements. The Company monitors capital on the basis of the net debt to equity ratio. The Company is not subject to any externally imposed capital requirements. Net debt are long term and short term debts as reduced by cash and cash equivalents (including restricted cash and cash equivalents) and short-term investments. Equity comprises share capital and free reserves. The following table summarizes the capital of the Company:

**(Rs. in million)**

Particulars	31-03-2018	31-03-2017	31-03-2016 (Proforma)
Share Capital	295.00	2.50	2.50
Free Reserves	786.32	459.50	287.82
<b>Equity (A)</b>	<b>1081.32</b>	<b>462.00</b>	<b>290.32</b>
Cash & Cash Equivalents	4.72	136.19	5.41
Short Term Investments	0.00	0.00	0.00
<b>Total Cash (B)</b>	<b>4.72</b>	<b>136.19</b>	<b>5.41</b>
Short-term Borrowings	166.99	0.00	78.38
Long-Term Borrowings	94.25	96.39	36.21
Current Maturity of Long-term Borrowings	109.70	86.34	54.07
<b>Total Debt (C)</b>	<b>370.94</b>	<b>182.73</b>	<b>168.66</b>
<b>Net Debt (D=(C-B))</b>	<b>366.22</b>	<b>46.54</b>	<b>163.25</b>
<b>Net Debt to Equity Ratio (E=D/A)</b>	<b>0.34</b>	<b>0.10</b>	<b>0.56</b>

**Dividend Payout History**

Dividends	FY 2017-18	FY 2016-17	FY 2015-16
Interim Dividend of Rs. 160/- per share		40.00	
Interim Dividend of Rs. 120/- per share			30.00

**NOTE-45****PRIOR PERIOD ITEMS ALONG WITH IMPACT ANALYSIS**

As per IND AS 8 an entity is required to correct prior period error retrospectively by restating the comparative amounts for the prior period presented in which the error occurred. If the error occurred before the earliest prior period presented, it will restate the opening balance of assets, liabilities and equity for the earlier prior period presented. Therefore, in terms of provisions of IND AS 8, the impact of the prior period items identified in the current year and relating to the previous year have been restated and for the period before the last comparative period shown have been adjusted in the opening balance of retained earnings.

**(Rs. in million)**

Particulars	Amount (Rs. In Millions)		
	FY 2017-18	FY 2016-17	FY 2015-16
<b>Prior Period adjustment</b>			
Decrease/(Increase) in Expenses due to Adj. of TDS Receivables (Misc. Deductions)	-4.25	0.00	4.25
Sub-contract charges	-4.98	0.00	4.98
<b>Total Impact on profit/reserve</b>	<b>-9.23</b>	<b>0.00</b>	<b>9.23</b>
<b>Increase/(Decrease) in EPS (in Rs.)</b>	<b>-0.31</b>	<b>0.00</b>	<b>0.31</b>

**NOTE-46****DISCLOSURE IN TERMS OF IND AS - 11 - CONSTRUCTION CONTRACTS**

Basic Disclosures:	For the Year Ended
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	31-03-2018	31-03-2017	31-03-2016 (Proforma)
(a) the amount of contract revenue recognized as revenue in the period;	2746.92	1513.74	1117.05
(b) the methods used to determine the contract revenue recognized in the period; and	As per Annexure - V		
(c) the methods used to determine the stage of completion of contracts in progress.	As per Annexure - V		

**In respects of contracts in progress:**

An entity shall disclose each of the following for contracts in progress at the end of the reporting period:

(a) the aggregate amount of costs incurred and recognized profits (less recognized losses) to date;	1617.21	-	-
(b) the amount of advances received; and	-	-	-
(c) the amount of retentions.	-	-	-

**NOTE-47****EARNING AND EXPENDITURE ON FOREIGN CURRENCY (IN ACCRUAL BASIS):****(Rs. in million)**

Particulars	2017-18	2016-17	2017-18
Earnings	Nil	Nil	Nil
Export Of Goods / Services	Nil	Nil	Nil
<b>Expenditure</b>			
Purchase Of Goods / Services	Nil	Nil	Nil
Component & Sapaes	Nil	Nil	Nil
Capital Goods	Nil	Nil	18.89
Travelling Expenses	Nil	Nil	Nil
Other Matters	Nil	Nil	Nil

**NOTE-48****MISCELLANEOUS:**

1. Previous years' figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure and to comply with the requirements of IND AS.
2. Normal Operating Cycle of Company's business has been determined in accordance with the requirement of Schedule III of the Companies Act, 2013.
3. Balance of trade payables, trade receivables and loans and advances are subject to confirmation/reconciliation and resultant adjustment(s) thereof.

**NOTE-49**  
**STANDALONE SUMMARY STATEMENT RECONCILIATION BETWEEN PREVIOUS GAAP AND IND AS**

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from erstwhile Indian GAAP to Ind AS.

**I. Reconciliation of Equity between IND-AS and previous GAAP**

(Rs. in million)

Nature of Adjustments	Reference Note	31-03-2017	01-04-2016
<b>Shareholder's Equity as per previous GAAP before restated adjustments</b>		<b>462.62</b>	<b>292.14</b>
<b>Add/(Less): Ind AS and Other Adjustments</b>			
Adjustments in relation to retrospective application of IND AS - 19	(A)	-3.88	-2.48
Prior Period Adjustment - Increase in Expenses	(B)	-4.98	-4.98
Provision for Expected Credit Loss	(C)	-0.15	
Leasehold Property Amortization Adjustment	(D)	0.20	0.13
Adjustment on account of deferment of BG Charges	(E)	2.21	3.77
Impact due to revised calculations of revenue from contracts Income	(F)	5.94	3.80
Tax Effect on Above	(G)	1.33	0.81
<b>Shareholder's Equity as per Ind AS before restated adjustments</b>		<b>463.28</b>	<b>293.18</b>

In line with Ind AS 101, the above adjustments have been carried out through retained earnings in Reserves & Surpluses.

**II. Reconciliation of Profit/(loss) after tax between Ind-AS and previous GAAP for the Year ended 31 March, 2017**

(Rs. in million)

<b>Net Profit/(loss) as per Previous GAAP before restated adjustments</b>	<b>210.48</b>
<b>Add/(Less): Ind AS and Other Adjustments</b>	
Adjustments in relation to retrospective application of IND AS - 19	-1.40
Adjustment on account of wrong treatment of Dividend Tax in Previous GAAP	8.14
Provision for Doubtful Debts	-0.15
Leasehold Property Amortization difference	0.08
Adjustment on account of deferment of BG Charges	-1.56
Impact due to revised calculations of revenue from contracts Income	2.14
Tax Effect on above	0.51
<b>Net profit/(loss) as per Ind AS before restated adjustments</b>	<b>218.24</b>

**III. Reconciliation of cash flows for the year ended March 31, 2017**

The transition from erstwhile Indian GAAP to Ind AS has not made a material impact on the statement of cash flows.



**NOTE – 50**  
**RESTATED STANDALONE STATEMENT OF TAX SHELTER**

(Rs. in million)

Particulars	As At		
	31-03-2018	31-03-2017	31-03-2016 (Proforma)
<b>Restated Profits before Current &amp; Deferred Taxes</b>	<b>952.35</b>	<b>337.97</b>	<b>197.13</b>
<b>Tax at Notional Rate</b>	329.59	116.97	68.22
<b>Adjustments:</b>			
Difference between Tax Depreciation and Book Depreciation	2.52	-0.87	-5.77
Other Adjustments	2.25	1.26	-1.16
<b>Net Adjustments</b>	<b>4.77</b>	<b>0.38</b>	<b>-6.93</b>
<b>Tax (Saving)/Liability thereon</b>	<b>1.65</b>	<b>0.13</b>	<b>-2.40</b>
Tax impact on Restated Adjustments other than above	0.12	-0.47	0.40
<b>Total Taxation</b>	<b>331.36</b>	<b>116.63</b>	<b>66.22</b>
<b>Taxation on Extraordinary Items</b>		0.00	0.00
<b>Tax on Profits before Extraordinary Items</b>	<b>331.36</b>	<b>116.63</b>	<b>66.22</b>

- a) The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- b) The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**NOTE – 51**  
**STATEMENT OF CAPITALISATION**

(Rs. in million)

Particulars	Pre-Issue	Post-Issue*
	31-03-2018	
<b>Debt</b>		
Current Financial Liabilities - Borrowings	166.99	XXXX
Non- Current Financial Liabilities - Borrowings	94.25	XXXX
Current maturities to the long term debts	21.49	XXXX
<b>Total Debt</b>	<b>282.74</b>	<b>XXXX</b>
<b>Shareholder's Fund</b>		
Equity Share Capital	295.00	XXXX
Other Equity	786.32	XXXX
Total Shareholders' Fund (Equity)	<b>1081.32</b>	<b>XXXX</b>
<b>Long Term Debt/Equity</b>	<b>0.09</b>	<b>XXXX</b>
<b>Total Debt/Equity</b>	<b>0.26</b>	<b>XXXX</b>

\*\*\*The corresponding post issue figures are not determinable at this stage pending the completion of public issue due to book building process and hence, have not been furnished.

1. Short term Debts represent which are expected to be paid/payable within 12 months.
2. Long term Debts represent debts other than Short Term Debts as defined above.
3. The figures disclosed are based on restated summary statement of assets and liabilities for the year ended on 31st March, 2018.
4. The Issue is of up to 1,00,00,000 Equity Shares, at an Issue Price of Rs. [●] per Equity Share for cash, including a premium of Rs. [●] per Equity Share, aggregating up to Rs. [●] millions and is being made through the Book Building Process. The Net Issue shall constitute at least 25% of the post-Issue paid up equity share capital of our Company

## NOTE – 52

**SUMMARY STATEMENT OF MATERIAL ADJUSTMENTS TO AUDITED STANDALONE  
IND AS FINANCIAL STATEMENTS**

In terms of SEBI ICDR Regulations, 2009, appropriate adjustments have been made in the restated financial statements, whenever required, by reclassification of the corresponding items of assets, liabilities and cash flow statement, in order to ensure consistency and compliance with requirement of Company Act 1956, and as replaced by Company Act 2013 after 01st April 2014 and Accounting Standards.

The Summary of results of restatements made in the audited financial statements of the Company for the respective period / years and their impact on the profit / (loss) and assets and liabilities of the Company is as under:

(Rs. in million)			
Particulars	31-03-2018	31-03-2017	31-03-2016 (Proforma)
<b>Net Profit After Tax as per audited accounts but before adjustments for restated accounts:</b>	<b>6145.75</b>	<b>2182.36</b>	<b>1263.23</b>
Decrease/(Increase) in Loss sale of Fixed Assets	0.00	0.03	0.00
Decrease/(Increase) in Expenses due to Provision of TDS Defaults	0.00	-0.51	-0.04
Decrease/(Increase) in Depreciation as per Companies Act	19.50	3.83	-1.12
Decrease/(Increase) in Deferred Tax Adjustments	-60.46	-9.46	2.24
Decrease/(Increase) in Expenses due to accounting of TDS Payables	0.00	7.59	0.00
Decrease/(Increase) in Expenses due to accounting of Row Charges	0.00	-1.83	0.00
Decrease/(Increase) in Expenses due to Foreign Exchange Fluctuation Adj.	0.00	0.00	4.64
Decrease/(Increase) in Expenses due to accounting of VAT Payables	0.00	4.89	-2.30
Decrease/(Increase) in Expenses due to accounting of DDT	0.00	0.00	61.07
Decrease/(Increase) in Expenses due to FD Interest Adj.	0.48	-0.48	0.00
Decrease/(Increase) in Expenses due to provision of Interest	3.23	2.94	-2.82
Decrease/(Increase) in Expenses due to Interest Expenses	0.10	-0.23	0.13
Decrease/(Increase) in Expenses due to Adj. of TDS Receivables (Misc. Deductions)	42.51	0.00	-42.51
Decrease/(Increase) in Expenses due to non-recognition of excess refund of IT as Income	42.07	0.00	0.00
Decrease/(Increase) in Expenses due to provision of ST Liability	0.00	9.10	7.28
<b>Net Increase/ (Decrease)</b>	<b>47.42</b>	<b>15.88</b>	<b>26.57</b>
<b>Profits after Tax as per Restated Accounts</b>	<b>6193.17</b>	<b>2198.24</b>	<b>1289.81</b>

**a) Accounting of Depreciation**

During the process of restatement of Accounts, Company has rectified the Depreciation provision which was wrong on account of arithmetical errors and wrong rate of depreciation adopted, and non-Compliance with the requirement of schedule II of the Companies Act, 2013 w.e.f. 1.4.2014 onwards. Further, the same has also impact on profit and loss on sale of fixed asset items during the restatement period. The same has been rectified and accordingly effect thereof has been stated in Table 1 (Statement of Profit and Loss after Tax).

**b) Adjustment on account of Provision of Deferred Tax:**

Due to changes in Depreciation and Provision for Gratuity, Disallowances, etc, the Company has recalculated the deferred tax liability and deferred tax assets at the rate of normal Tax rate applicable at the end of relevant year/period.

**c) Capitalization of Expenses**

During the period of restatement, the Company has identified some items expenses on account of foreign exchange fluctuations on purchase of fixed assets which had to be capitalized with the of value of corresponding fixed assets. The same has been rectified and accordingly effect thereof has been stated in Table 1 (Statement of Profit and Loss after Tax).

During the period of restatement, the Company has identified some TDS defaults as per Traces. The same has been provided for in restated financials and accordingly effect thereof has been stated in Table 1 (Statement of Profit and Loss after Tax).

**d) Accounting of TDS Paid, VAT Paid, Row Charges, Mis Deductions, Service Tax Paid.**

During the period of restatement, the Company has shifted / Adjusted / bifurcated, expense accounted for in a particular year to their respective year to which they relate. The same has been rectified and accordingly effect thereof has been stated in Table 1 (Statement of Profit and Loss after Tax).

**e) Non-recognition of excess Income-tax Refund as Income**

During the period of restatement, the Company has identified an amount of Rs. 4.21 million of Income-tax refund which it received from Income-tax Department in excess of what they are claimed in their books of account. The same has been rectified and accordingly effect thereof has been stated in Table 1 (Statement of Profit and Loss after Tax).

**f) Accounting of Dividend Distribution Tax**

During the period of restatement, the Company has identified that dividend distribution tax paid by company has been shown in the statement of profit and loss instead of debiting the same in the reserves and surpluses in terms of guidance issued by the Institute of Chartered Accountants of India. The same has been rectified and accordingly effect thereof has been stated in Table 1 (Statement of Profit and Loss after Tax).

**g) Provision of Interest Expenses and other adjustments**

During the period of restatement, the Company has identified that it was not making provisions in respect of interest expenses as per repayment schedules of the respective loan. The interest was accounted for as and when it was paid only. The same has been rectified and accordingly effect thereof has been stated in Table 1 (Statement of Profit and Loss after Tax).

**ANNEXURE – IA**  
**RESTATED STANDALONE STATEMENT OF ASSETS AND LIABILITIES**

(Rs. in million)

Particulars	Note	As At	
		31-03-15	31-03-14
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholder's Funds</b>			
Share Capital	1A	2.50	2.50
Reserves and Surplus (excluding Revaluation Reserves, if any)	2A	194.93	125.57
Money received against share warrants		0.00	0.00
<b>Share Application Money Pending Allotment</b>			
<b>Non Current Liabilities</b>			
Long-term Borrowings	3A	31.73	14.68
Deferred tax liabilities (Net)	4A	3.12	2.75
Other Long Term Liabilities	5A	307.28	138.34
Long-term Provisions	6A	1.60	0.78
<b>Current Liabilities</b>			
Short-term Borrowings	7A	69.87	63.46
Trade Payables	8A	114.28	42.10
Other Current Liabilities	9A	83.68	62.10
Short-term Provisions	10A	0.45	0.07
<b>Total</b>		<b>809.44</b>	<b>452.35</b>
<b>II. ASSETS</b>			
<b>Non Current Assets</b>			
Fixed assets			
(i) Tangible Assets	11A	331.98	193.70
(ii) Intangible Assets	12A	0.24	0.00
(iii) Capital Work-In-Progress		24.93	2.61
(iv) Intangible Assets Under Development		0.00	0.00
Non Current Investments	13A	0.51	0.01
Deferred Tax Assets (Net)	4A		
Long-term Loans and Advances	14A	91.14	90.53
Other Non Current Assets			
<b>Current Assets</b>			
Current Investments			
Inventories	15A	26.85	26.75
Trade Receivables	16A	238.06	87.24
Cash and Cash Equivalents	17A	59.22	25.43
Short-term Loans and Advances	18A	36.50	26.08
Other Current Assets	19A	0.00	0.00
<b>Total</b>		<b>809.44</b>	<b>452.35</b>

**Note:-** The above statement should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexures IV, II and III.

**ANNEXURE – IIA**  
**RESTATED STANDALONE STATEMENT OF PROFIT AND LOSS**

(Rs. in million)

	Particulars	NOTE	For the Year ended	
			31-03-15	31-03-14
<b>I</b>	Revenue from Operations	20A	508.88	237.61
<b>II</b>	Other Incomes	21A	2.67	1.89
<b>III</b>	<b>Total Income (I+II)</b>		<b>511.55</b>	<b>239.50</b>
	<b>Expenses:</b>			
	Operational Expenses	22A	283.71	131.13
	Purchase of Stock-in-Trade	23A	31.26	13.61
	Changes in Inventories of finished goods, Stock-in-Trade and work-in-progress	24A	-0.10	-20.20
	Employee Benefits Expenses	25A	23.77	16.17
	Finance Costs	26A	16.03	14.35
	Depreciation And Amortization Expense	27A	41.01	22.59
	Administrative and Other Expenses	28A	15.64	16.21
<b>IV</b>	<b>Total Expenses (IV)</b>		<b>411.30</b>	<b>193.88</b>
<b>V</b>	Profit/(loss) before exceptional items and tax (I-IV)		100.25	45.63
<b>VI</b>	Exceptional Items	29A	0.00	0.00
<b>VII</b>	<b>Profit/(loss) before tax (V-VI)</b>		<b>100.25</b>	<b>45.63</b>
<b>VIII</b>	<b>Tax Expense</b>			
	- Current Tax		30.39	14.08
	- Deferred Tax Liability / (Asset)		0.37	1.08
	Interest on Income Tax		0.00	0.00
<b>IX</b>	<b>Restated profit/(loss) after tax for the period from continuing operations</b>		<b>69.49</b>	<b>30.47</b>
<b>X</b>	Profit/ (Loss) from Discontinuing operation		0.00	0.00
<b>XI</b>	Tax expenses of discontinuing operations		0.00	0.00
<b>XII</b>	<b>Restated Profit/(loss) for the period</b>		<b>69.49</b>	<b>30.47</b>

**Note:** The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, and cash flows appearing in Annexures IV, I and III.

**ANNEXURE - IIIA**  
**RESTATED STANDALONE CASH FLOW STATEMENT**

(Rs. in million)

Particulars	For the Year ended	
	31-03-15	31-03-14
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax	100.25	45.63
Adjustment for :		
Less: Interest on Fixed Deposit	-2.56	-1.47
Less: Loss on Sale of Fixed Assets	0.00	0.00
Add: Provision for Interest Expenses	0.31	-0.07
Add: Depreciation	41.01	22.59
Add: Provision of Gratuity	0.69	0.12
Add: Provision for Leave Encashment	0.20	0.00
Add: Interest on Borrowed Fund & Finance Charges	12.04	11.00
<b>Operating profit before working capital changes</b>	<b>151.93</b>	<b>77.80</b>
Adjustment for :		
(Increase)/Decrease in Inventories	-0.10	-20.20
(Increase)/Decrease in Trade Receivables	-150.82	85.38
(Increase)/Decrease in Short Term loans and advances	-26.74	-1.64
(Increase)/Decrease in Other Current Assets	0.00	0.06
Increase/(Decrease) in Trade Payables	72.19	-65.05
Increase/(Decrease) in Short Term Borrowings	6.41	-2.18
Increase/(Decrease) in Other Current Liabilities	21.58	19.85
Increase/(Decrease) in Short Term Provisions	0.00	0.00
	<b>-77.49</b>	<b>16.23</b>
<b>Cash generated from / (used in) operations</b>	<b>74.44</b>	<b>94.03</b>
Income Tax Paid/(refund)	14.08	13.86
<b>Net cash generated from/(used in) operating activities - (A)</b>	<b>60.36</b>	<b>80.18</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	-179.65	-72.63
Increase in Capital Work-in-Progress	-22.32	-1.35
Sale of Fixed Assets	0.00	0.00
Interest Income on Fixed Deposit	2.56	1.47
Increase/Decrease in Current Investments	0.00	0.00
Increase in non-current investments	-0.50	-0.01
Increase /Decrease in Fixed Deposits against Margin Money	-5.83	-10.42
(Increase)/Decrease in Long Term Loans and Advances	-0.62	40.44
<b>Net cash (used in) Investing Activities - (B)</b>	<b>-206.36</b>	<b>-42.51</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Receipts from Increase of Share Capital	0.00	0.00
Payment of Dividends	0.00	0.00
Payment of Dividend Distribution tax	0.00	0.00
Repayment of Long Term Borrowings	17.06	5.21
Increase/Decrease in Long Term Liabilities	168.94	-33.42
Interest & Finance Charges	-12.04	-11.00
<b>Net cash(used in) / from financing activities - (C)</b>	<b>173.96</b>	<b>-39.21</b>
Net Increase/(decrease) in Cash & Cash Equivalents (A+B+C)	27.96	-1.55
Cash and cash equivalents at the beginning of the year	1.20	2.75
<b>Cash and cash equivalents at the end of the year</b>	<b>29.16</b>	<b>1.20</b>
Cash and cash equivalents at the end of year comprises :		
1. Components of cash and cash equivalents:		
<b>Particulars</b>	<b>31-03-15</b>	<b>31-03-14</b>

Cash on hand	4.97	0.78
Balances with scheduled banks:		
In current accounts	24.19	0.42
<b>Total Cash and cash equivalents</b>	<b>29.16</b>	<b>1.20</b>

**Notes: -**

1. The Cash Flow Statement has been prepared under indirect method as set out in Accounting Standard -3 on Cash Flow Statement, specified under the Companies Act, 1956 (which are deemed to be applicable as Section 133 of the Companies Act, 2013 ("the Act")) read with Rule 7 of Companies (Accounts) Rules, 2014).

2. Figures in Brackets or figures with "-" represents outflow.

3. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses as appearing in Annexures IV, I and II.

## ANNEXURE IV

### RESTATED STANDALONE SUMMARY STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES

#### H. Background

**Dinesh Engineers Limited (Earlier known as Dinesh Engineers Private Limited) (“the Company”)** was incorporated on 07th February, 2006. It is a passive communication infrastructure provider Company in India, focused on providing passive communication infrastructure services mainly to the Telecom operators and internet service providers (“ISPs”).

#### I. Significant Accounting Policies

##### (1) Basis of preparation

The Restated Standalone Summary Statement of Assets and Liabilities of the Company in Annexure IA as at 31 March 2015 and 31 March 2014 and the Restated Summary Statement of Profit and Loss in Annexure IIA and the Restated Summary Statement of Cash Flows in Annexure IIIA for the years ended 31 March 2015 and 31 March 2014 along with Notes (collectively referred to as the “Restated Standalone Summary Financial Information”) have been prepared specifically for the purpose of inclusion in the offer document to be filed by the Company with the Securities and Exchange Board of India (“SEBI”), Registrar of Companies (“ROC”) and relevant stock exchange/s, as may be required in connection with the proposed Initial Public Offering (“IPO”).

The Restated Standalone Summary Financial Information have been extracted by the management from audited financial statements of the Company for respective period/years (“Financial Statements”), after applying necessary adjustments. The Financial Statements comprise of the Balance Sheet as at period/year end, the Statement of Profit and Loss, the Cash Flow Statement for the period/year then ended, and a summary of significant accounting policies and other explanatory information.

The Financial Statements were prepared and presented under the historical cost convention using the accrual system of accounting in accordance with the generally accepted accounting principles in India (“Indian GAAP”) and the requirements of the Companies Act, 1956 (up to 31 March 2014), and notified Sections, Schedules and Rules of the Companies Act, 2013 (with effect from 01 April 2014) (“the Act”), including the Accounting Standards as prescribed by Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, to the extent applicable.

The accounting policies have been consistently applied by the Company to the period/years presented in the Restated Standalone Summary Financial Information. The Restated Standalone Summary Financial Information of the Company have been prepared to comply in all material respects with the requirements of Chapter III to the Act and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time.

Appropriate re-classifications/ adjustments have been made in the Restated Standalone Summary Financial Information wherever required, by re-classification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the presentation and recognition as per the Financial Statements of the Company and the requirement of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time.

The Restated Standalone Summary Financial Information are presented in Indian rupees (in million), unless otherwise stated.

##### (2) Use of Estimates

The preparation of these Restated Standalone Financial Information in conformity with Indian GAAP requires the Management to make judgments, estimates and assumptions that effect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting year. Although these estimates are based on the management’s best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in current and future periods.

##### (3) Current and Non-Current Classification

All assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.



### Assets

An asset is classified as current when it satisfies any of the following criteria:

- i. it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- j. it is held primarily for the purpose of being traded;
- k. it is expected to be realised within 12 months after the reporting date; or
- l. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

### Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- i. it is expected to be settled in the Company's normal operating cycle;
- j. it is held primarily for the purpose of being traded;
- k. it is due to be settled within 12 months after the reporting date; or
- l. the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current assets/ liabilities include the current portion of non-current assets/ liabilities respectively. All other assets/ liabilities are classified as non-current.

### Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company considers its operating cycle to be within one year.

## (4) Property, Plant and Equipment and Depreciation thereon

### c) Property, Plant and Equipment

Property, plant and equipment are carried at cost of acquisition or construction less accumulated depreciation and/ or accumulated impairment loss, if any. The cost of an item of Property, plant and equipment comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditures related to an item of Property, plant and equipment are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

A Property, plant and equipment is eliminated from the Financial Statements on disposal or when no further benefit is expected from its use and disposal.

Losses arising from retirement or gains or losses arising from disposal of Property, plant and equipment which are carried at cost are recognized in the Statement of Profit and Loss.

Intangible assets are stated at acquisition cost, Net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a straight line basis over their estimated useful lives in accordance with the provisions of Accounting Standard (AS) – 26 "Intangible Assets" issued by the Institute of Chartered Accountants of India.

### d) Depreciation

Till the year ended 31 March 2014, depreciation on Property, plant and equipment other than leasehold improvements was provided for on a written down value method (WDV) at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956. Depreciation in respect of Property, plant and equipment acquired during the year whose actual cost does not exceed Rs. 5,000 has been provided at 100%.

After the applicability of Schedule II of the Companies Act, 2013, with effect from 01 April 2014, depreciation on Property, plant and equipment is provided for on a written down value method at the rates prescribed in Schedule II to the Companies Act, 2013.

Depreciation on Property, plant and equipment sold, discarded or demolished during the year, if any, is being provided pro-rata up to the date on which such Property, plant and equipment are sold, discarded or demolished.

Pursuant to the Act being effective from 01 April 2014, the Company has revised depreciation rates on certain Property, plant and equipment as per the useful life specified in Part 'C' of Schedule II to the Act. As a result of this change, the depreciation charge for the year ended 31 March 2015 is higher by an amount of Rs. 0.12 million in respect of Property, plant and equipment whose useful life is already exhausted as on 01 April 2014 has been adjusted from retained earnings.

Cost of Property, plant and equipment not ready for use as at the Balance Sheet date are disclosed as capital work-in-progress.

**(5) Revenue Recognition**

**(d) Service Income**

- (x) Revenue is recognized to the extent that it is possible that the economic benefits will flow to the company and the revenue can be reliably measured with reliable certainty of realizing the consideration. Sales exclude all type of taxes such as excise duty, sales tax, value added tax or Goods and Service Tax, etc. charged to the customers.
- (xi) Revenue from right to use the fibre capacity provided based on IRU are recognized over the period of such arrangements.
- (xii) Revenue from the contract is recognized on percentage completion method by reference to the physical completion of the work. The Company raises the running bills on their customers as stipulated in the terms and conditions mentioned in the contract. However, on the basis of physical completion of the contract obtained from the survey by the technical consultants, any excess or shortfall in revenue is recognized as "Unbilled Revenue".

**(e) Interest Income**

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

**(f) Dividend Income**

Dividend income is recognized when right to receive the payment is established.

**(6) Investments**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

**(7) Foreign Currency Transactions**

Transaction denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction and any income or expenses on account of exchange difference either on settlement or on translation is recognized in the Statement of profit and Loss except in case where they relate to acquisition of fixed assets, are adjusted with the carrying cost of such assets.

**(8) Employee Benefits**

**(c) Short term employee benefits**

All employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service is rendered by employees.

**(d) Post-employment Benefits**

**(v) Defined Contribution Plans**

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Employer makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. The Employer's contribution is recognized as an expense in the Restated Standalone Summary Statement of Profit and Loss during the period in which the employee renders the related service.

**(vi) Defined benefit plans**

The Company's gratuity scheme is a defined benefit plan. The present value of obligation under such defined benefit plan is determined based on actuarial valuation carried at the period/year end using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date.

**(vii) Compensated absences**

The employees can carry-forward a portion of the unutilized accrued compensated absences and utilize it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

**(viii) Termination benefits**

Termination benefits are recognized as an expense when, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

**(9) Accounting for Taxes on Income**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount that are enacted or substantively enacted, at the reporting date.

(i) Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

(ii) Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

**(10) Earnings Per Share:**

In determining the Earnings Per share, the company considers the net profit after tax which does not include any post tax effect of any extraordinary / exceptional item. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period.

The number of shares used in computing Diluted earnings per share comprises the weighted average number of shares considered for computing Basic Earnings per share and also the weighted number of equity shares that would have been issued on conversion of all potentially dilutive shares.

In the event of issue of bonus shares, or share split the number of equity shares outstanding is increased without an increase in the resources. The number of Equity shares outstanding before the event is adjusted for the proportionate change in the number of equity shares outstanding as if the event had occurred at the beginning of the earliest period reported.

#### **(11) Provisions, contingent liabilities and contingent assets**

A provision is created when there is a present obligation as a result of a past event and it is more likely than not that there will be an outflow of resources embodying economic benefits to settle such obligation and the amount of such obligation can be reliably estimated. Provisions are not discounted to its present value, and are determined based on the management's best estimate of the amount of obligation required at the period/year end. These are reviewed at each Balance Sheet date and adjusted to reflect current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that have arisen from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of future events not wholly within the control of the Company. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

The Company does not recognise assets which are of contingent nature until there is virtual certainty of realisability of such assets. However, subsequently, if it becomes virtually certain that an inflow of economic benefits will arise, asset and related income is recognised in the Financial Statements of the period in which the change occurs.

#### **(12) Impairment of Assets**

The company assesses, at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's (including goodwill) recoverable amount is the higher of an assets net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

After impairment, depreciation/ amortization is provided on the revised carrying amount of the asset over its remaining useful life.

#### **(13) Borrowing Costs**

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

#### **(14) SEGMENT REPORTING**

##### **Business Segment**

(a) The business segment has been considered as the primary segment.

(b) The Company's primary business segments are reflected based on principal business activities, the nature of service, the differing risks and returns, the organization structure and the internal financial reporting system.

(c) The Company's primary business comprises of communication infrastructure services and since it is the only reportable segment as envisaged in Accounting Standard 17 'Segment Reporting'. Accordingly, no separate disclosure for Segment reporting is required to be made in the financial statements of the Company.

### (iii) Geographical Segment

The Company operates in one Geographical Segment namely “within India” and hence no separate information for geographic segment wise disclosure is required.

## C. CHANGES IN ACCOUNTING POLICIES IN THE PERIODS/YEARS COVERED IN THE RESTATED FINANCIALS

There is change in significant accounting policies adopted by the Company, the details of which are as under:

The Company has not been following the provisions of Accounting Standard – 15 “Employee Benefits” issued by the Institute of Chartered Accountants of India for provision for Gratuity and accordingly, the provision of gratuity has not been accounted for by the management in books of account for the FY 2013-14 and 2014-15.

In restated standalone financials statements, the Company has complied with the provisions of Accounting Standard – 15 “Employee Benefits”.

## D. CHANGE IN ACCOUNTING ESTIMATES

### a. Useful lives/depreciation rates

Till the year ended 31 March 2014, depreciation rates prescribed under Schedule XIV were treated as minimum rates and the Company was not allowed to charge depreciation at lower rates even if such lower rates were justified by the estimated useful life of the asset. Schedule II Part C to the 2013 Act prescribes useful lives for property, plant and equipment which, in many cases, are different from the useful lives prescribed under the erstwhile Schedule XIV. However, Schedule II allows companies to use higher/ lower useful lives and residual values if such useful lives and residual values can be technically supported and justification for difference is disclosed in the financial statements.

Considering the applicability of Schedule II, the management has re-estimated useful lives and residual values of all its property, plant and equipment. The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of property, plant and equipment, though these rates in certain cases are different from lives prescribed under Schedule II there is no material impact of the same.

In Restated financials the Company has calculated the depreciation based on the rates given in Schedule XIV of the Companies Act, 1956 till 31.03.2014 and after 31.03.2014 based on the rates given in Schedule II of the Companies Act, 2013. In respect of assets whose useful life had already exhausted as on 1 April 2015, has been adjusted in Reserves and Surplus in accordance with requirements of Para 7 of Part C of Schedule II of the Act. Such assets which do not have useful life as on 01.04.2014 were having WDV Rs. 0.12 million.

### b. Component accounting:

During the previous year i.e., with effect from 1 April 2014, the Company has adopted component accounting as required under Schedule II to the Companies Act, 2013. The Company was previously not identifying components of property, plant and equipment separately for depreciation purposes; rather, a single useful life/ depreciation rate was used to depreciate each item of property, plant and equipment.

Due to application of Schedule II to the 2013 Act, the Company has changed the manner of depreciation for its property, plant and equipment. Now, the Company identifies and determines cost of each component/part of the asset separately, if the component/part has a cost which is significant to the total cost of the asset having useful life that is materially different from that of the remaining asset. These components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset. However, it does not have any impact on the Restated Unconsolidated Summary Statement of Profit and Loss for the year ended 31 March 2015. The aforesaid policy has been consistently applied by the Company during the current year.

## E. NOTES ON THE RESTATED FINANCIALS

- (1) The financial statements including financial information have been prepared after making such regroupings and adjustments, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial statements/information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.
- (2) The Company does not have information as to which of its supplier are Micro small and Medium Enterprise registered under The Micro small and Medium Enterprise Development Act 2006. Consequently the liability, if any, of interest which would be payable under The Micro small and Medium Enterprise Development Act

2006, cannot be ascertained. However, the Company has not received any claims in respect of such interest and as such, no provision has been made in the books of accounts.

**(3) Employee benefits (Accounting Standard – 15 “Employee Benefits”)**

The Company has adopted the Accounting Standard 15 (revised 2005) on Employee Benefits as per an actuarial valuation carried out by an independent actuary in restated financials. The disclosures as envisaged under the standard are as under:-

**Disclosure in respect of Gratuity:**

(Rs. in million)

Particulars	2014-15	2013-14
<b>1.The amounts recognised in the Balance Sheet are as follows:</b>		
Present value of obligations Recognized	1.51	0.82
<b>Net Liability</b>	1.51	0.82
<b>2.The amounts recognised in the Profit &amp; Loss A/c are as follows:</b>		
Current Service Cost	0.25	0.17
Interest on Defined Benefit Obligation	0.06	0.05
Net Actuarial Losses/(Gains) Recognized in Year	0.38	-0.09
Past Service Cost		
Total, Included in “Salaries& Allowances”	0.69	0.12
<b>3.Changes in the present value of defined benefit obligation:</b>		
Defined benefit obligation as at the beginning of the year/period	0.82	0.70
Service cost	0.25	0.17
Interest cost	0.06	0.05
Actuarial Losses/(Gains)	0.38	-0.09
Past Service Cost	0.00	0.00
<b>Defined benefit obligation as at the end of the year/period</b>	1.51	0.82
<b>Benefit Description</b>		
Benefit type:	Gratuity Valuation as per Act	
Retirement Age:	60 years	
Vesting Period:	5 years	
<b>The principal actuarial assumptions for the above are:</b>		
Future Salary Rise:	5.00%P.A	
Withdrawal Rate:	5.00%P.A	
Discount rate per annum:	7.50%P.A	
Mortality Rate:	IALM 2006-08	

**(4) Segment Reporting (AS 17)**

The Company is required to disclose the information required by Accounting Standard- 17. No separate segments have, however, been reported as the company does not have more than one business Segment within the meaning of Accounting standard -17, which differ from each other in risk and reward.

**(5) Provisions, Contingent Liabilities and Contingent Assets (AS 29)**

Contingent liabilities and commitments (to the extent not provided for). There are no contingent liabilities except as mentioned in Note– 31A, for any of the years covered by the statements.

**(6) Related Party Disclosure (AS 18)**

Related party transactions are reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended, in the Note – 30A of the enclosed financial statements.

**(7) Accounting for Taxes on Income (AS 22)**

Deferred Tax liability/Asset in view of Accounting Standard – 22: “Accounting for Taxes on Income” as at the end of the year/period is reported as under:



## CALCULATION OF DTA/DTL

(Rs. in million)

Particulars	As At	
	31/03/2015	31/03/2014
<b>Deferred Tax Liability</b>		
Net WDV as Per Companies Act	332.22	193.70
Net WDV as per Income Tax Act	318.85	182.36
Timing Difference Due to Depreciation	13.37	11.34
<b>Deferred Tax Liability (A)</b>	4.34	3.68
Incremental Due to Depreciation	0.66	1.12
Gratuity Provisions Accumulated	1.51	0.82
Leave Encashment Provisions Accumulated	0.20	0.00
Disallowance u/s 43B of Income-tax Act, 1961	2.06	2.06
Timing Differences Due to Gratuity/Leave Encashment/43B/Others	3.77	2.87
<b>Deferred Tax Assets (B)</b>	1.22	0.93
Incremental Due to Gratuity/Leave Encashment/43B/Others	0.29	0.04
Cumulative Balance of Deferred Tax Liability/(Deferred Tax Assets) (A-B)	3.12	2.75
<b>Opening Deferred Tax Liability</b>	2.75	1.67
<b>Debited/(Credit) to Restated Statement of Profit and Loss Account</b>	0.37	1.08

**(8) Earnings Per Share (AS 20):**

Earnings per Share have been calculated is already reported in the Note –32A of the enclosed financial statements.

**(9) Realizations:**

In the opinion of the Board and to the best of its knowledge and belief, the value on realization of current assets, loans and advances will, in the ordinary course of business, not be less than the amounts at which they are stated in the Balance sheet.

**(10) Contractual liabilities**

All other contractual liabilities connected with business operations of the Company have been appropriately provided for.

**(11) Amounts in the financial statements**

Amounts in the financial statements are rounded off to nearest Rupees in Million. Figures in brackets indicate negative values.

**(12) MATERIAL ADJUSTMENTS [AS PER SEBI (ICDR) REGULATIONS, 2009]**

Appropriate adjustments have been made in the restated financial statements, whenever required, by reclassification of the corresponding items of assets, liabilities and cash flow statement, in order to ensure consistency and compliance with requirement of Company Act 1956, and as replaced by Company Act 2013 after 01<sup>st</sup> April 2014 and Accounting Standards.

The Summary of results of restatements made in the audited financial statements of the Company for the respective period / years and their impact on the profit / (loss) and assets and liabilities of the Company is as under.

**Statement of adjustments in the Financial Statements**

The reconciliation of Profit after tax as per audited results and the Profit after tax as per Restated Accounts is presented below in Table-1. This summarizes the results of restatements made in the audited accounts for the respective years/ period and its impact on the profit & loss of the company.

(Rs. In million)

Particulars	31/03/2015	31/03/2014
<b>Net Profit After Tax as per audited accounts but before adjustments for restated accounts:</b>	64.72	31.41
Decrease/(Increase) in Expenses due to Provision of TDS Defaults	0	-0.13

Decrease/(Increase) in Depreciation as per Companies Act	0.11	-0.29
Decrease/(Increase) in DTL	0.14	0.39
Decrease/(Increase) in Expenses due to accounting of TDS Payables	-0.03	-0.02
Decrease/(Increase) in Expenses due to Gratuity Expenses	-0.69	-0.12
Decrease/(Increase) in Expenses due to Leave Encashment Expenses	-0.2	0
Decrease/(Increase) in Expenses due to accounting of Row Charges	0.18	0
Decrease/(Increase) in Expenses due to accounting of VAT Payables	-0.03	-0.23
Decrease/(Increase) in Expenses due to VAT Expenses	6.01	-0.73
Decrease/(Increase) in Expenses due to FD Interest Adj	0	0.02
Decrease/(Increase) in Expenses due to provision of Interest	-0.31	0.07
Decrease/(Increase) in Expenses due to provision of ST Liability	-0.42	0.12
<b>Net Increase/ (Decrease)</b>	<b>4.76</b>	<b>-0.93</b>
<b>Profits after Tax as per Restated Accounts</b>	<b>69.49</b>	<b>30.47</b>

**c) Adjustment on account of provision for Gratuity:**

The Company did not provide gratuity based on the requirement of AS -15 (Revised), therefore during the restatement, provision for gratuity have been done as per the actuarial valuation and accordingly short/excess provisions in respective year/period were adjusted to comply with the requirement of AS-15 (Revised).

**d) Accounting of Depreciation**

During the process of restatement of Accounts, Company has rectified the Depreciation provision which was wrong on account of arithmetical errors and wrong rate of depreciation adopted, and non Compliance with the requirement of schedule II of the Companies Act, 2013 w.e.f. 1.4.2014 onwards. Further, the same has also impact on profit and loss on sale of fixed asset items during the restatement period. The same has been rectified and accordingly effect thereof has been stated in Table 1 (Statement of Profit and Loss after Tax).

**e) Adjustment on account of Provision of Deferred Tax:**

Due to changes in Depreciation and Provision for Gratuity, Disallowances, etc, the Company has recalculated the deferred tax liability and deferred tax assets at the rate of normal Tax rate applicable at the end of relevant year/period.

**f) Accounting of excess Depreciation prior to 31.03.2013:**

During the period of restatement, the Company has identified excess depreciation charged amounting to Rs. 0.86 million on fixed assets upto 31.03.2013 and accordingly, Rs. 0.86 million has been added to Opening balance of Retained earnings on account of such excess depreciation charged in earlier years, etc. and adjusted the carrying amount of Fixed Assets as on 01.04.2013. Further, corresponding adjustment on account of Deferred Tax on such excess depreciation amounting to Rs. 0.28 million has been reduced from Opening Balance of Retained Earnings as on 01.04.2013.

**g) Provision of TDS defaults**

During the period of restatement, the Company has identified some TDS defaults as per Traces. The same has been provided for in restated financials and accordingly effect thereof has been stated in Table 1 (Statement of Profit and Loss after Tax).

**g) Accounting of TDS Paid, VAT Paid, Row Charges, Mis Deductions, Service Tax Paid.**

During the period of restatement, the Company has shifted / Adjusted / bifurcated, expense accounted for in a particular year to their respective year to which they relate. The same has been rectified and accordingly effect thereof has been stated in Table 1 (Statement of Profit and Loss after Tax).

**h) Provision of Interest Expenses and other adjustments**

During the period of restatement, the Company has identified that it was not making provisions in respect of interest expenses as per repayment schedules of the respective loan. The interest was accounted for as and when it was paid



only. The same has been rectified and accordingly effect thereof has been stated in Table 1 (Statement of Profit and Loss after Tax).

**For Mansaka Ravi & Associates**  
**Chartered Accountants**  
**FRN 015023C**  
**PRC No. 008582**

**Sd/-**

**Ravi Mansaka, FCA**  
**Partner**  
**Membership No. 410816**  
**Date: 05-09-2018**  
**Place: Jaipur**

**NOTE-1A**  
**RESTATED STANDALONE STATEMENT OF SHARE CAPITAL**

(Rs. in million)

Particulars	As At	
	31-03-15	31-03-14
<b>(a) Number and Amount of Authorised Share Capital</b>		
Number of Equity Share of Rs. 10 each	2.00	2.00
<b>Total Authorised Equity Capital</b>	20.00	20.00
Number of Preference Share of Rs. 10 each		
<b>Total Authorised Preference Capital</b>	0.00	0.00
<b>Total Authorised Share Capital</b>	20.00	20.00
<b>(b) Issued, Subscribed &amp; Paid-up Capital</b>		
Equity Share Capital	2.50	2.50
Preference Share Capital	0.00	0.00
Total	2.50	2.50
<b>(c) Reconciliation of Number of Shares outstanding at the beginning and at the end of the reporting period</b>		
Opening number of equity shares outstanding	0.25	0.25
Add: Equity Shares issued during the year	0.00	0.00
Add: Bonus Shares issued during the year	0.00	0.00
<b>Closing Number of Equity Shares Outstanding</b>	0.25	0.25

**(d) The rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital**

(i) The Company has one class of Equity shares having a par value of Rs. 10 per share. Each Share holder is eligible for one vote per share held.

(ii) All Equity Shareholders are eligible to receive dividends in proportion to their shareholdings.

(iii) The dividends proposed by the Board of Directors are subject to the approval of the Shareholders in the ensuing Annual General Meeting.

(iv) In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their share holding.

(e) Shareholders holding more than 5% of shares of the Company

Name of Shareholder	31-03-15	31-03-14
Dinesh KollaiahKargal	0.14	0.14
Shashikala Dinesh	0.11	0.11

(f) As the company is not a subsidiary of any Company, its shares are not held by any holding or ultimate holding company.

(g) There are no shares reserved for issue under options and contracts or commitments for the sale of shares or disinvestment.

(h) There are no shares which were allotted (i) pursuant to contracts without payment being received in cash.

(i) There are no securities which are convertible into equity/preference shares.

(j) There are no calls which are unpaid.

1.The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2.The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**NOTE 2A**  
**RESTATED STANDALONE STATEMENT OF RESERVES & SURPLUS**

(Rs. in million)

Particulars	As At	
	31-03-15	31-03-14
<b>(a) Securities Premium Reserve</b>		
Balances at the beginning of the reporting period	0.00	0.00
Changes in accounting policy or prior period errors		
Restated balance at the beginning of the reporting period	0.00	0.00
Securities Premium received during the year		
Any other Change (to be specified)	0.00	0.00
<b>Balance at the end of the reporting period</b>	<b>0.00</b>	<b>0.00</b>
<b>(b) Retained Earnings</b>		
Balances at the beginning of the reporting period	125.57	95.10
Changes in accounting policy or prior period errors		
Restated balance at the beginning of the reporting period	125.57	95.10
Add: Profit/(Loss) during the year as per profit and loss account	69.49	30.47
Less: Dividends Distributed During the Year	0.00	0.00
Less: Dividend Distribution Tax	0.00	0.00
Less: Capitalisation of Profits by issue of Bonus Shares		
Less: Transitional Adjustment due to change in depreciation rates and methods as per Companies Act, 2013.	0.13	0.00
Balance at the end of the reporting period	194.93	125.57
<b>TOTAL OF RESERVES &amp; SURPLUSES</b>	<b>194.93</b>	<b>125.57</b>

**Notes:**

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. Company is not having any Revaluation Reserve.
3. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**NOTE 3A**  
**RESTATED STANDALONE STATEMENT OF LONG TERM BORROWINGS**

Particulars	(Rs. in million)	
	As At	
	31-03-15	31-03-14
<b>Secured Loans</b>		
(a) Bonds or debentures;		
(b) Term Loans		
(i) from Banks;	2.13	0.40
(ii) from other parties (NBFC's)	1.09	0.00
(c) Deferred payment liabilities		
(d) Deposits;		
(e) Loans and advances from Related Parties;		
(f) Long term maturities of finance lease obligations		
(g) Other Loans and advances		
<b>Unsecured Loans</b>		
(a) Term Loans		
(i) from Banks;	5.77	0.00
(ii) from other parties (NBFC's)	5.52	0.53
(b) Loans and advances from Related Parties;	17.22	13.75
<b>Total</b>	<b>31.73</b>	<b>14.68</b>

Notes:

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary, statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.
3. List of persons/entities classified as 'Related Parties' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

**NOTE 3A(a)**  
**RESTATED STANDALONE STATEMENT OF TERMS & CONDITIONS OF UNSECURED LOANS**

A) Details of Unsecured Loans outstanding as at the end of the latest Reporting period from Directors/Promoters/Group Companies and others

Unsecured Loans from Directors/Promoters/Group Companies and other Companies are repayable on demand and as per rate of interest as mentioned below: -

(Rs. in million)					
Name of Lender	Purpose	Rate of interest	Re-Payment Terms	As on 31.03.2015	As on 31.03.2014
<b>(A) From Related parties</b>					
Dinesh Kollaiah Kargal	Business	0%	Monthly	9.71	9.24
Shashikala	Business	0%	Monthly	7.51	4.51
<b>Total (A)</b>				<b>17.22</b>	<b>13.75</b>
<b>(B) Loan From Others</b>					
Deutsche Bank	Business	13.65%	Monthly	4.27	
Capital First Ltd	Business		Monthly	2.46	
ICICI	Business	16.49%	Monthly	2.45	
Ratnakar Bank Ltd	Business	18%	Monthly	2.87	
Shriram City Union Finance Ltd	Business	9.10%	Monthly	1.27	
Standard Chartered Bank	Business		Monthly	5.80	
Magma Fincorp Ltd	Business	18%	Monthly	2.23	
Magma Fincorp Ltd	Business	19%	Monthly		0.72
Religare Finvest Ltd	Business		Monthly	2.62	
Edleweiss Retail Finance Ltd	Business	19.50%	Monthly		1.44
Edleweiss Retail Finance Ltd	Business	18%	Monthly	3.12	
<b>Total (B)</b>				<b>27.09</b>	<b>2.15</b>
<b>Grand Total (A+B)</b>				<b>44.31</b>	<b>15.91</b>

**Notes: -**

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary, statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**NOTE - 4A**  
**RESTATED STANDALONE STATEMENT OF DEFERRED TAX (ASSETS) / LIABILITIES**

Particulars	(Rs. in million)	
	For the Year Ended	
	31-03-15	31-03-14
<b>Opening Balance (A)</b>		
Opening Balance of Deferred Tax (Asset) / Liability	2.75	1.67
<b>Current Year Provision (B)</b>		
(DTA) / DTL on Depreciation	0.66	1.12
(DTA) / DTL on Provision for Gratuity/Leave Encashment/Disallowances	0.29	0.04
<b>Closing Balance of Deferred Tax (Asset) / Liability (A+B)</b>	<b>3.12</b>	<b>2.75</b>

**Notes: -**

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statement of profit and loss account and cash flows statement as appearing in Annexures IV, I, I and III.

**NOTE - 5A****RESTATED STANDALONE STATEMENT OF OTHER LONG TERM LIABILITIES****(Rs. in million)**

<b>PARTICULARS</b>	<b>As At</b>	
	<b>31-03-15</b>	<b>31-03-14</b>
Prereceived Income (Deferred Income)	307.28	138.34
<b>Total</b>	<b>307.28</b>	<b>138.34</b>

**Notes: -**

- 1.The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**NOTE-6A****RESTATED STANDALONE STATEMENT OF OTHER LONG TERM PROVISIONS****(Rs. in million)**

<b>PARTICULARS</b>	<b>As At</b>	
	<b>31-03-15</b>	<b>31-03-14</b>
Provision For Gratuity	1.41	0.78
Provision for Leave Encashment	0.19	0.00
<b>Total</b>	<b>1.60</b>	<b>0.78</b>

**Notes: -**

- 1.The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**NOTE-7A****RESTATED STANDALONE STATEMENT OF SHORT TERM BORROWINGS****(Rs. in million)**

<b>Particulars</b>	<b>As At</b>	
	<b>31-03-15</b>	<b>31-03-14</b>
<b>Secured</b>		
(a) Loans Repayable on Demand		
(i) from Banks;	69.87	63.46
(ii) from other parties	0.00	0.00
(b) Loans and advances from Related Parties;	0.00	0.00
(c) Deposits	0.00	0.00
(d) Others Loans and advances	0.00	0.00
<b>Unsecured</b>		
(a) Loans Repayable on Demand		
(i) from Banks;	0.00	0.00
(ii) from other parties	0.00	0.00
(b) Loans and advances from Related Parties;	0.00	0.00
(c) Deposits	0.00	0.00
(d) Others Loans and advances	0.00	0.00
<b>Total</b>	<b>69.87</b>	<b>63.46</b>

**Notes: -**

- 1.The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

3. List of persons/entities classified as 'Promoters' and 'Promoter Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

**NOTE-8A**  
**RESTATED STANDALONE STATEMENT OF TRADE PAYABLES**

(Rs. in million)

PARTICULARS	As At	
	31-03-15	31-03-14
<b>Trade Payables</b>		
Sundry creditors for Sub-Contracts	107.75	36.97
Sundry creditors for Unrecognized revenue	0.00	0.00
Sundry creditors for Purchases	6.53	5.13
<b>Total</b>	<b>114.28</b>	<b>42.10</b>

**Notes: -**

- 1.The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2.The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.
3. Amount due to entities covered under Micro, Small and Medium Enterprises as defined in the Micro, Small, Medium Enterprises Development Act, 2006, have been identified on the basis of information available with the Company. There was no amount due to any such entities which needs to be disclosed separately.

**NOTE- 9A**  
**RESTATED STANDALONE STATEMENT OF OTHER CURRENT LIABILITIES**

(Rs. in million)

PARTICULARS	As At	
	31-03-15	31-03-14
Current Maturity of Long Term Borrowings	17.40	1.71
Pre received Income (Current Liabilities of deferred income)	54.23	33.09
Sundry creditors for Capital Assets	0.47	0.46
Rent Payables	0.00	0.09
Professional Charges Payable	0.03	0.00
Other Expenses Payable	0.61	2.02
Advances from Sundry Debtors	0.00	13.37
Directors' Remuneration Payable	0.72	0.49
Salary and Wages Payables	1.49	1.08
Statutory Liabilities	6.09	7.34
Audit fees Payable	0.31	0.26
Telephone Charges Payable	0.07	0.05
Electricity Charges Payable	0.02	0.03
Provision for VAT Payable under Composition Scheme	0.26	0.23
Provision for Service tax Liability	1.09	1.02
Provision for TDS Defaults as per 26AS	0.13	0.13
Provision for TDS Expenses Payable	0.76	0.73
<b>Total</b>	<b>83.68</b>	<b>62.10</b>

**Notes: -**

- 1.The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**NOTE- 10A**  
**RESTATED STANDALONE STATEMENT OF SHORT TERM PROVISIONS**

(Rs. in million)

PARTICULARS	As At	
	31-03-15	31-03-14
Provision for Gratuity	0.10	0.04
Provision for Leave Encashment	0.01	0.00
Provision for Interest on Loans	0.34	0.03
<b>Total</b>	<b>0.45</b>	<b>0.07</b>

**Notes: -**

- 1.The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2.The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.



**NOTE-11A**  
**RESTATED STANDALONE STATEMENT OF PROPERTY, PLANT & EQUIPMENT**

									(Rs. in million)
2013-14	Gross Carrying Amount				Depreciation				Net Carrying Amount
PARTICULARS	As on 01.04.2013	Additions During the Year	Delition / Disposal During the Year	As on 31.03.2014	Accumulated Depreciation as on 01.04.2013	Depreciation During the Year	Deduction During the Year	Accumulated Depreciation as on 31.03.2014	As on 31.03.2014
(a) Land	0.00			0.00	0.00			0.00	0.00
(b) Building	8.33	0.00		8.33	0.78	0.38		1.16	7.17
(c) Plant and Equipment	23.05	1.98		25.03	7.41	2.27		9.68	15.34
(d) Furniture and Fixtures	3.86	0.00		3.86	1.14	0.49		1.63	2.23
(e) Vehicles	8.16	0.79		8.95	4.51	1.03		5.54	3.41
(f) Office Equipment	3.11	0.28		3.40	0.88	0.33		1.22	2.18
(g) IP	129.52	69.40		198.92	18.87	17.63		36.50	162.42
(h) Electrical Equipments	0.34			0.34	0.12	0.03		0.15	0.19
(i) Computers & Printers	2.39	0.18		2.57	1.39	0.42		1.81	0.76
<b>Total</b>	<b>178.76</b>	<b>72.63</b>	<b>0.00</b>	<b>251.39</b>	<b>35.10</b>	<b>22.59</b>	<b>0.00</b>	<b>57.69</b>	<b>193.70</b>

										(Rs. in million)
2014-15	Gross Carrying Amount				Depreciation				Net Carrying Amount	
PARTICULARS	As on 01.04.2014	Additions During the Year	Delition / Disposal During the Year	As on 31.03.2015	Accumulated Depreciation as on 01.04.2014	Depreciation During the Year	Deduction on During the Year	Transitional Adjustment	Accumulated Depreciation as on 31.03.2015	As on 31.03.2015
(a) Land	0.00			0.00	0.00				0.00	0.00
(b) Building	8.33	29.61		37.94	1.16	1.16			2.32	35.62
(c) Plant and Equipment	25.03	9.70		34.73	9.68	4.10		0.00	13.78	20.95
(d) Furniture and Fixtures	3.86	0.00		3.86	1.63	0.64			2.27	1.59
(e) Vehicles	8.95	8.61		17.56	5.54	3.05			8.59	8.97
(f) Office Equipment	3.40	0.39		3.79	1.22	1.55		0.06	2.83	0.96
(g) IP	198.92	130.53		329.45	36.50	29.88			66.38	263.07
(h) Electrical Equipments	0.34	0.00		0.34	0.15	0.06			0.21	0.13
(i) Computers & Printers	2.57	0.51		3.08	1.81	0.50		0.06	2.37	0.71

<b>Total</b>	<b>251.39</b>	<b>179.35</b>	<b>0.00</b>	<b>430.74</b>	<b>57.69</b>	<b>40.94</b>	<b>0.00</b>	<b>0.13</b>	<b>98.76</b>	<b>331.98</b>
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**Notes: -**

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**NOTE-12A**  
**RESTATED STANDALONE STATEMENT OF INTANGIBLE ASSETS**

(Rs. in million)

PARTICULARS	As At	
	31-03-15	31-03-14
<b>I. Intangible Assets</b>		
<b>(a) Computer Softwares</b>		
Opening Gross Carrying Amount	0.00	0.00
Add: Additions During the Year	0.30	
Closing Gross Carrying Amount	0.30	0.00
Opening Accumulated Amortization	0.00	0.00
Add: Amortization During the Year	0.07	
Closing Accumulated Amortization	0.07	0.00
Opening Net Carrying Amount	0.00	0.00
<b>Closing Net Carrying Amount</b>	<b>0.24</b>	<b>0.00</b>
(b) Brand Trademark	0	0
(c) Copyrights, Patents, other intellectual property rights, services and operating rights	0	0
(d) Others	0	0

Notes

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**NOTE-13A**  
**RESTATED STANDALONE STATEMENT OF NON-CURRENT INVESTMENTS**

(Rs. in million)

PARTICULARS	As At	
	31-03-15	31-03-14
<b>Investment in Equity Instruments</b>		
Shares with Corporation Bank	0.01	0.01
Investment in Vaviya Developers Pvt Ltd (50000 Shares @ Rs. 10/- Each)	0.50	0.00
<b>Total</b>	<b>0.51</b>	<b>0.01</b>

**Notes: -**

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**NOTE - 14A**  
**RESTATED STANDALONE STATEMENT OF LONG TERM LOANS & ADVANCES**

PARTICULARS	(Rs. in million)	
	As At	
	31-03-15	31-03-14
<b>Secured, considered good;</b>		
<b>Capital Advances</b>		
Advance for Building Project	10.41	0.00
Advance for Shop (Turbhe Industrial)	2.75	0.00
Advance for Flat with Vaviya Developers Pvt Ltd	7.50	0.00
Advance Against Nerul Godown	1.09	13.02
Security Deposits	3.01	3.13
Earnest Money Deposits	4.15	0.00
Retention Money	59.93	74.20
Others	2.30	0.18
<b>Total</b>	<b>91.14</b>	<b>90.53</b>

**Notes: -**

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**NOTE-15A**  
**RESTATED STANDALONE STATEMENT OF INVENTORIES**

PARTICULARS	(Rs. in Million)	
	As At	
	31-03-15	31-03-14
Work-In-Progress	26.85	26.75
<b>Total</b>	<b>26.85</b>	<b>26.75</b>

**Notes: -**

1. **Mode of Valuation:** - Inventories (raw materials) are valued at cost.
2. Inventory is valued and certified by the management only.
3. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
4. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**NOTE - 16A**  
**RESTATED STANDALONE STATEMENT OF TRADE RECEIVABLES**

PARTICULARS	(Rs. in Million)	
	As At	
	31-03-15	31-03-14
<b>Outstanding for a period exceeding 6 Months</b>		
Secured, Considered Good		
Unsecured, considered Good	49.58	40.00
<b>Outstanding for a period not exceeding 6 Months</b>		
Secured, Considered Good		
Unsecured, considered Good	188.47	47.24
<b>Total</b>	<b>238.06</b>	<b>87.24</b>

**Notes: -**

- 1.The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.
3. The Company does not have information as to which of its supplier are Micro small and Medium Enterprise registered under The Micro small and Medium Enterprise Development Act 2006. Consequently the liability, if any, of interest which would be payable under The Micro small and Medium Enterprise Development Act 2006, cannot be ascertained.

**NOTE - 17A**  
**RESTATED STANDALONE STATEMENT OF CASH & CASH EQUIVALENTS**

(Rs. in Million)

PARTICULARS	As At	
	31-03-15	31-03-14
<b>(a) Balances with Banks</b>		
In Current and OD Accounts	24.19	0.42
Margin Money/Security against Borrowings, Bank Guarantees	30.06	24.23
<b>(b) Cheques, drafts on hand</b>		
<b>(c) Cash on Hand</b>	4.97	0.78
<b>(d) Others</b>		
<b>Total</b>	<b>59.22</b>	<b>25.43</b>

**Notes: -**

- 1.The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**NOTE-18A**  
**RESTATED STANDALONE STATEMENT OF SHORT TERM LOANS & ADVANCES**

(Rs. in Million)

PARTICULARS	As At	
	31-03-15	31-03-14
<b>Unsecured and Considered Good:</b>		
Advance for Site Expenses	0.43	0.55
Advances to Employees	0.05	0.08
Advance to Creditors	5.41	0.79
Prepaid Expenses	7.89	10.95
Balances with Govt Authorities	22.55	13.60
Provisional Credit of ST Liability under RCM	0.18	0.11
<b>Total</b>	<b>36.50</b>	<b>26.08</b>

**Notes: -**

- 1.The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**NOTE-19A**  
**RESTATED STANDALONE STATEMENT OF OTHER CURRENT ASSETS**

(Rs. in Million)

PARTICULARS	As At	
	31-03-15	31-03-14
Other Current Assets	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>

**Notes: -**

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**NOTE - 20A**  
**RESTATED STANDALONE STATEMENT OF REVENUE FROM OPERATIONS**

(Rs. in Million)

Particulars	For the year ended	
	31-03-15	31-03-14
<b>Contract Revenue</b>	420.16	198.40
<b>Contract Receipts- IP Work</b>		
Billing During the Year	153.35	145.32
Add: Opening Pre-received Income	296.87	190.76
Less: Closing Pre-received Income	361.51	296.87
<b>Sub-Total</b>	<b>88.71</b>	<b>39.21</b>
<b>Total</b>	<b>508.88</b>	<b>237.61</b>

**Notes: -**

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**NOTE - 21A**  
**RESTATED STANDALONE STATEMENT OF OTHER INCOME**

(Rs. in Million)

Particulars	For the year ended	
	31-03-15	31-03-14
Interest on Fixed Deposits	2.56	1.47
Discounts and Other Incomes	0.11	0.43
<b>Total</b>	<b>2.67</b>	<b>1.89</b>

**Notes:**

1. The classification of other income as recurring/not-recurring, related/not-related to business activity is based on the current operations and business activity of the Company as determined by the management.
2. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

3. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**NOTE - 22A****RESTATED STANDALONE STATEMENT OF OPERATIONAL EXPENSES****(Rs. in Million)**

Particulars	For the year ended on	
	31-03-15	31-03-14
Labour and Sub-contract Charges	283.71	131.13
<b>Total</b>	<b>283.71</b>	<b>131.13</b>

**Notes: -**

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**NOTE - 23A****RESTATED STANDALONE STATEMENT OF PURCHASE OF MATERIALS****(Rs. in Million)**

Particulars	For the year ended	
	31-03-15	31-03-14
Purchase of Stock-in-Trade	31.26	13.61
<b>Total</b>	<b>31.26</b>	<b>13.61</b>

**Notes: -**

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**NOTE - 24A****RESTATED STANDALONE STATEMENT OF CHANGE IN INVENTORIES OF FINISHED GOODS, WIP AND MATERIALS****(Rs. in Million)**

Particulars	For the year ended	
	31-03-15	31-03-14
Inventory at the end of the Year	26.85	26.75
Inventory at the beginning of the Year	26.75	6.55
<b>Increase/decrease in inventory</b>	<b>-0.10</b>	<b>-20.20</b>

**Notes: -**

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**NOTE - 25A****RESTATED STANDALONE STATEMENT OF EMPLOYEE BENEFIT EXPENSES**

(Rs. in Million)

Particulars	For the year ended	
	31-03-15	31-03-14
Salaries and Wages and other allowances	16.68	12.34
Directors' Remuneration	4.88	3.11
ESIC	0.08	0.05
Food Allowance	0.28	0.04
Provision for Gratuity	0.69	0.12
Provision for Leave Encashment	0.20	0.00
Provident Fund Contributions	0.25	0.22
Maharashtra Labour Fund	0.00	0.01
Staff Welfare Expenses	0.70	0.29
<b>Total</b>	<b>23.77</b>	<b>16.17</b>

**Notes: -**

- 1.The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**NOTE - 26A**  
**RESTATED STANDALONE STATEMENT OF FINANCE COSTS**

(Rs. in Million)

Particulars	For the year ended	
	31-03-15	31-03-14
Interest on loan	3.23	1.31
Bank Interest	8.80	9.69
Bank Charges	3.99	3.35
<b>Total</b>	<b>16.03</b>	<b>14.35</b>

**Notes: -**

- 1.The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**NOTE - 27A**  
**RESTATED STANDALONE STATEMENT OF DEPRECIATION AND AMORTIZATION EXPENSES**

(Rs. in Million)

Particulars	For the year ended	
	31-03-15	31-03-14
Depreciation	40.94	22.59
Amortization on Intangible Assets	0.07	0.00
<b>Total</b>	<b>41.01</b>	<b>22.59</b>

**Notes: -**

- 1.The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.



2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**NOTE - 28A**  
**RESTATED STANDALONE STATEMENT OF OTHER EXPENSES**

Particulars	(Rs. in Million)	
	For the year ended	
	31-03-15	31-03-14
Audit Fees	0.34	0.28
Business Promotion Expenses	0.04	0.00
Commission	0.43	0.00
Donation	0.16	0.08
Electricity Charges	0.52	0.40
House Keeping Charges	0.04	0.09
Insurance	0.59	0.41
Office Expenses	2.21	0.44
Postage and Courier Charges	0.02	0.02
Interest on TDS and Service Tax	0.50	0.25
Printing and Stationery	0.33	0.14
Professional Charges	1.11	0.97
Rates and Taxes (Tax and other Govt payments)	0.81	6.46
Rent Charges	2.91	2.84
Repairs and Maintenance	1.36	0.38
Security Charges	0.20	0.24
Society Charges	0.23	0.05
Telephone and Internet Expenses	0.60	0.57
Travelling and Conveyance	3.10	2.42
Water Charges	0.02	0.02
Provision for TDS Defaults	0.00	0.13
TDS Expenses	0.03	0.02
Penalty on VAT & ST Late filling	0.09	0.00
<b>Total</b>	<b>15.64</b>	<b>16.21</b>

**Notes: -**

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**NOTE - 29A**  
**RESTATED STANDALONE STATEMENT OF EXCEPTIONAL ITEMS**

Particulars	(Rs. in Million)	
	For the year ended	
	31-03-15	31-03-14
Others	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>

**Notes: -**

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**NOTE - 30A****RESTATED STANDALONE STATEMENT OF RELATED PARTY TRANSACTION**

a) Names of the related parties with whom transaction were carried out during the years and description of relationship:		
1)	Company/entity owned or significantly influenced by directors/ KMP/individuals owning interest in voting power that gives them significant influence over the enterprise or their relatives	Vaviya Developers Pvt Ltd (Associate)
2)	Key Management Personnels/Directors	Mr. Dinesh Kargal Ms. ShashikalaKargal

(Rs. in Million)

Sr. No.	Nature of Transaction	As At	
		2014-15	2013-14
<b>1</b>	<b>Dinesh Kargal</b>		
	Opening (Cr)	9.54	4.67
	Remuneration	3.64	2.40
	Rent	2.02	1.80
	Amount received/ credited	8.82	18.24
	Amount paid/ debited	13.78	17.58
	Closing (Cr)	10.24	9.54
<b>2</b>	<b>ShashikalaKargal</b>		
	Opening (Cr)	4.76	2.86
	Remuneration	1.24	0.71
	Amount received/ credited	4.30	7.38
	Amount paid/ debited	2.59	6.19
	Closing (Cr)	7.71	4.76
<b>3</b>	<b>Vaviya Developers Pvt Ltd</b>		
	Opening (Cr)	0.00	0.00
	Advance for Flat	7.50	0.00
	Closing (Cr)	-7.50	0.00

**Notes: -**

- The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.
- List Company/entity owned or significantly influenced by directors/ KMP, Key Management Personnels, and Relative of Key Management Personnels have been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

**NOTE - 31A**  
**RESTATED STANDALONE STATEMENT OF CONTINGENT LIABILITIES AND COMMITMENTS**

Particulars	(Rs. in Million)	
	As At	
	31-03-15	31-03-14
<b>Contingent Liabilities</b>		
(a) Claims against the company not acknowledged as debt;	0.00	0.00
(b) Guarantees & LC excluding financial guarantees;	107.33	78.71
(c) Other money for which the company is contingently liable	0.00	0.00
<b>Commitments</b>		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	0.00	0.00
(b) Uncalled liability on shares and other investments partly paid	0.00	0.00
(c) Other commitments	0.00	0.00
<b>Total</b>	<b>107.33</b>	<b>78.71</b>

**Notes: -**

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**NOTE - 32A**  
**RESTATED STANDALONE STATEMENT OF MANDATORY ACCOUNTING RATIOS**

Particulars	(Rs. in Million)	
	As At	
	31-03-15	31-03-14
<b>Net Worth</b>	197.43	128.07
Less: Revaluation Reserves(if any)	0.00	0.00
<b>Net Worth (A)</b>	197.43	128.07
Restated Profit after tax	69.49	30.47
<b>Adjusted Profit after Tax available for equity share holders (B)</b>	69.49	30.47
Number of Equity Share outstanding on every balance sheet date	0.25	0.25
Weighted average no of Equity shares at the time of end of the year (D)	29.50	29.50
<b>Current Assets (E)</b>	360.63	165.49
<b>Current Liabilities (F)</b>	268.28	167.73
<b>Face Value per Share (in Rs.)</b>	<b>10.00</b>	<b>10.00</b>
Restated Basic and Diluted Earning Per Share (Rs.) (B/D)		
Refer Note 1 given below	<b>2.36</b>	<b>1.03</b>
Return on Net worth (%) (B/A)	<b>35.19</b>	<b>23.79</b>
Net asset value per share (A/C) (in Rs.)	<b>789.74</b>	<b>512.30</b>
Adjusted Net asset value per share based on Weighted average number of share (A/D) (In Rs.)	<b>6.69</b>	<b>4.34</b>
Current Ratio (E/F)	<b>1.34</b>	<b>0.99</b>

**Notes: -**

- 1) The ratios have been computed as below:
  - (a) The Company has issued bonus shares in the ratio of 1:117 on November 21, 2017 against 250000 shares resulting into 2,92,50,000 equity shares of Rs. 10/- each.
  - (b) Diluted earnings per share (Rs.)-: Net profit after tax as restated for calculating diluted EPS / Weighted average number of equity shares outstanding at the end of the period or year for diluted EPS
  - (c) Return on net worth (%) -: Net profit after tax (as restated) / Net worth at the end of the period or year

- (d) Net assets value per share -: Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year
- 2) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted by the number of equity shares issued during period/year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/year.
- 3) Net worth for ratios mentioned in note 1(c) and 1(d) is = Equity share capital + Reserves and surplus (including, SecuritiesPremium, General Reserve and surplus in statement of profit and loss).
- 4) The figures disclosed above are based on the standalone restated summary statements of the Company.
- 5) The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**NOTE - 33A**  
**RESTATED STANDALONE STATEMENT OF TAX SHELTER**

Particulars	(Rs. in Million)	
	As At	
	31-03-15	31-03-14
<b>Tax at Notional Rate</b>	34.07	15.51
Adjustments:		
Difference between Tax Depreciation and Book Depreciation	-2.15	-3.45
Other Adjustments	0.89	0.12
Net Adjustments	-1.26	-3.33
Tax Saving thereon	-0.43	-1.13
Total Taxation	34.50	16.64
Taxation on Extraordinary Items	0.00	0.00
Tax on Profits before Extraordinary Items	34.50	16.64

**Notes: -**

- The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**FINANCIAL INDEBTEDNESS****To,**

**The Board of Directors,  
Dinesh Engineers Limited  
DEPL House, Neighbourhood Shopping Complex,  
Sector-4, Nerul Navi Mumbai, MH-400706**

**Dear Sirs,**

Based on the independent examination of Books of Accounts, Audited Financial Statements and other documents of Dinesh Engineers Limited (Formerly Known as Dinesh Engineers Private Limited) and further explanations and information provided by the management of the Company, which we believe to be true and correct to the best of our information and belief, the sanction amount of financial indebtedness, principal terms of security for loan and other related details as on March 31, 2018 are mentioned below.

**A. SECURED LOANS**

**CONSOLIDATED STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS AND ASSETS CHARGED**  
**AS SECURITY**

(Rs. In Millions)

Name of Lender	Purpose	Loan/ Agree-ment A/c No.	Sanctioned Amount	Rate of interest	Primary Security	Collateral/ Other Security	Re-Payment Schedule	Out-standing amount as on March 31, 2018 as per Books
Kotak Mahindra Bank	Business Loan	0631TL01-00000345	50.00	11.30%	First Charge over the Present and Future Current and Movable Fixed Assets	Equitable Mortgage over properties mentioned below this table – Note -1	Monthly	35.00
Kotak Mahindra Bank	Business Loan	0631TL01-00000315	29.00	11.30%			Monthly	10.64
Kotak Mahindra Bank	Overdraft	8411737737	70.00	10.25% (6MMCLR 8.50% + 1.75%)			On Demand	66.99
Yes Bank Ltd	Vehicle Loan	ALN0001-00305755	0.60	9.50%	Vehicle	Vehicle	Monthly	0.60
Yes Bank Ltd	Vehicle Loan	ALN000-100305768	0.60	9.50%	Vehicle	Vehicle	Monthly	0.60
Yes Bank Ltd	Vehicle Loan	ALN000-100305769	0.60	9.50%	Vehicle	Vehicle	Monthly	0.60
Yes Bank Ltd	Working Capital Demand Loan		50.00	0.95% over and above 3 Month YBL MCLR	first paripasu charge on current assets of the Company with Kotak Bank and Proposed bank (HDFC) to enter into multiple banking arrangement. Further, secured by personal guarantee of Mr. Dinesh Karagal, Mrs. Shashikala Karagal and Mr. Darshan		On Demand	45.00
Yes Bank Ltd	Bill Discounting Facility		100.00					55.00

					Karagal.		
<b>TOTAL</b>							<b>214.43</b>

**Note: 1****Equitable Mortgage over following properties:**

1. Flat No. 201, 2nd Floor, B-wing, No. 20, Sector 6, Navi Mumbai-400706
2. Shop no.1, Sai Ansh, Plot No.7, Sector-11, Sanpada, Navi Mumbai
3. Shop No.9, Ground Floor, Sai Paradise, Plot No. 21, Sector 4, Nerul, Navi Mumbai
4. Shop No. 1 to 12, Ground Floor, Neighbourhood Shopping Center, Plot No. 10 & 11, Sector 4, Nerul, Navi Mumbai
5. Plot No. G-701, Neel Sidhi Jewels, Jay Balaji CHS Ltd, Plot No. 26A, Nerul, Navi Mumbai
6. Residential Building situated at Plot No. G 702, Neel Sidhi Jewels, Jay Balaji CHS Ltd, Plot No. 26A, Nerul, Navi Mumbai
7. Shop No. M-8 and O-2, 2nd Floor, Neighbourhood Shopping Center, Plot NO. 10 and 11, Sector 4, Nerul, Navi Mumbai
8. Office No. B, 3rd Floor, "Shrirang House" Building, CTS No. 364 + 365/1 & 364 + 365/16, Jangli Maharaj Road, Shivaji Nagar, Pune -411005
9. Unit No. 1201, 12th Floor, Business Bay, Kamdhenu Realities, Plot No. 51, Sector-1, Nerul, Navi Mumbai- 400706
10. Unit No. 1202, 12th Floor, Business Bay, Kamdhenu Realities, Plot No. 51, Sector-1, Nerul, Navi Mumbai- 400706
11. Plot No. 222/37. Shrivane, Nerul, Navi Mumbai
12. Flat No. 301 & 302, House No. 0493/ Sector 20, Om Sai Apartment, Belapur, 400614

The above loans also have personal guarantees of Mr. Dinesh Kargal and Mrs. Sashikala Dinesh Kargal, Directors of the Company.

Other Specific Terms & Conditions attached with Loans form Kotak Mahindra Bank:

1. Unsecured loans and advances availed from friends/directors/relatives shall not be repaid during the currency of the Bank's Exposure.
2. Borrower to obtain prior permission of the Bank before raising any further loans/availing any facilities against the assets offered as security for facilities of the Bank.
3. Any change of shareholding, directorship / ownership shall be undertaken with prior permission of the Bank.
4. The working capital facilities granted by the Bank and other Banks both secured and unsecured shall be within overall working capital requirements assessed by the Bank.
5. Company to maintain sole banking with Kotak Mahindra Bank Limited only.

**B. UNSECURED LOANS**

A) Details of Unsecured Loans outstanding as at the end of the latest Reporting period

(Rs. in Millions)

Name of Lender	Purpose	Rate of interest	Re-Payment Terms	As on March 31, 2018
<b>(A) Loan from Related Parties</b>				
Dinesh Kollaiah Kargal	Business	0%		41.10
Shashikala Dinesh Kargal	Business	0%		27.21
<b>Total (A)</b>				<b>68.31</b>
<b>(B) Loan From Others</b>				
<b>Total (B)</b>				
<b>Grand Total (A+B)</b>				<b>68.31</b>

**Notes:**

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the significant accounting policies and notes to restated summary, statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, IV, I, II and III.

Our Company has obtained the necessary consents required under the relevant loan documentation with banks for undertaking activities, such as change in its capital structure, change in its shareholding pattern and change in promoter's shareholding which has a possible change in the management control of our Company. In this regard, our Company has received consents from its lenders i.e. Kotak Mahindra Bank Limited and Yes bank Limited to undertake the Issue vide their letters dated December 21, 2017 and March 23, 2018, respectively.

## MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

You should read the following discussion of our financial condition and results of operations together with our restated consolidated financial statements for the Fiscal 2018, 2017, 2016, 2015 and 2014, including the notes thereon and the report thereon, in the chapter titled “*Financial Statements*” beginning on page 159 of this Red Herring Prospectus. You should also read the chapter titled “*Risk Factors*” beginning on page 18 of this Red Herring Prospectus, which discusses a number of factors and contingencies that could impact our financial condition and results of operations.

The following discussion relates to our Company, unless otherwise stated and is based on restated consolidated financial statements. These financial statements have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI ICDR Regulations and restated as described in the report of our Auditors which is included in this Red Herring Prospectus under “*Financial Statements*” beginning on page 159 of this Red Herring Prospectus. Our Fiscal ends on March 31 of each year; therefore, all references to a particular fiscal are to the twelve-month period ended March 31 of that year. See also the chapter titled “*Certain Conventions, Presentation of Financial, Industry and Market Data and Currency presentation*” beginning on page 14 of this Red Herring Prospectus.

This discussion may contain forward-looking statements and reflect our current future plans and expectations. Actual results may differ materially from those anticipated in the forward-looking statements. 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. Given these uncertainties, prospective investors are cautioned not to place undue reliance on such forward looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those discussed in the section titled “*Risk Factors*” beginning on page 18 and chapter titled “*Forward-Looking Statements*” and “*Our Business*” beginning on pages 16 and 113 respectively of this Red Herring Prospectus. In this section “we”, “us”, “our” refers to our Company.

### Business Overview

We are a passive communication infrastructure provider Company in India, focused on providing passive communication infrastructure services mainly to the Telecom operators and internet service providers (“ISPs”). Our Company was incorporated in 2006, and through the next several years, we are working towards executing the fiber laying work for many Telecom Operators. Our company has been licensed by Department of Telecommunications (DoT) with the Infrastructure Provider (IP)-I License, under which we can establish and maintain wired networks, Duct space for the purpose to grant on lease or sale on IRU basis to the licensees of Telecom operators, ISPs etc. Our key expertise lies in the field of providing support services to telecom vendors which inter alia includes project management for laying of the duct and optic fibre cables, construction of basic transmission and telecom utilities, dark fiber leasing, optical fiber network construction, maintenance of duct and optic fibre and optical fibre project turnkey services to various Telecom network operators & broad band Service operators across the states of India.

Since the receipt of the IP-I license, we have created our own optic fibre network of around 7500 kms which runs across the state of Rajasthan, Gujarat, Maharashtra, Goa, Karnataka, Andhra Pradesh and Telengana. Our wired network infrastructure solutions are used by many Telecom Companies such as Airtel, BSNL, Reliance Jio, Vodafone, Idea, Tata Communication etc. which helps them inter-alia in increasing network’s bandwidth, maximize existing network capacity, improve network performance and availability.

Since the year 2011, we have laid fibre network of around 9500 Kms for the telecom operators under the Vendor projects which run across the states of Maharashtra, Gujarat, Uttar Pradesh, Bihar, Karnataka, Andhra Pradesh, Chhattisgarh, Goa and Rajasthan and are currently being used by companies like BSNL, Airtel, Vodafone, Idea Cellular, Reliance Jio, TTML, BSNL, Reliance Corporate IT Park and TCIL. Apart from laying the network under the Vendor project or own network, we are also engaged in the operations & maintenance activity of the fibre network and preventing the underground optic fiber therein from getting cut due to activities like road repairs, digging and expansion works by various authorities.



The growth and development of our company during the past years have been the result of our customer centric approach and core competence in the field of Telecom Infrastructure. Our main focus and vision is on providing the customers with the desired quality work within the given time frame. Based on the past records and experience in the field of laying the fibre for the Telecom operators, Mahanagar Gas Limited has entrusted us with the laying of its gas pipelines under the city of Mumbai. The gas pipeline laying work will help us to diversify in the field of gas sector and will also open new business avenues for our company. The work of laying the gas pipeline have been undertaken through outsourcing the same to the sub-contractors.

Some of the prominent clients of our Company includes telecom giants like Bharti Airtel Ltd, Idea Cellular, Vodafone, Tata Communications Ltd. etc. as well as ISP clients like Intech, D-vois SSV, Atria, power grid, Hathway, Sify riding on our fibre optic network along several routes. Apart from the above we also have Mahanagar Gas Limited in our client list for gas pipeline work.

Our company has grown many folds during the past decade under the leadership and guidance of our Promoter, Chairman and Managing Director, Mr. Dinesh Kollaiah Kargal. He has an overall experience of over 27 years in the field of civil construction and Telecom infrastructure sector. He has an experience of laying around 35000 kms during his career which has helped us to execute and undertake many challenging projects which were given up by the telecom companies. His expertise and experience has been instrumental in the growth of our business. His foresightedness and vision have helped us to identify the opportunities well in time and gain advantage of the opportunities.

### **Our Competitive Strengths**

We believe that the following are our primary competitive strengths:

#### *1. Established Optic fiber network in India*

Over the past years we have created our own fibre optic network of around 7500 Kms which run across Rajasthan, Gujarat, Maharashtra, Goa, Karnataka, Andhra Pradesh and Telengana. Apart from the own network we have also undertaken Vendor Projects and developed a Network of around 9500 Kms for our customers. This fibre network is currently being used by various companies such as companies like telecom operators, cable TV companies, MSOs, ISPs etc. Even after building a network running across 10 states, we are continuously expanding our fibre and duct network so as to be able to serve more customer needs and leverage economies of scale.

With the increase in the number of the Telecom subscribers, internet users and widespread digitalization there has been an increasing need of fibre network. With the recent advancement in the field of Telecommunication, the telecom operators are more focused on taking the fibre network on lease rather than developing and maintain their own network, which is a business opportunity for our company.

#### *2. Strong project management and execution capabilities*

Over the last five years, our Company has executed many projects for the telecom companies and gas companies. We have a strong ROW team which liaison with the government and local authorities to get the projects executed with all the required permission and without any hindrances from the locals. We use modern machineries like HDD (Horizontal Diagonal drilling), JCBs, forklain to the get the projects executed in timely manner and with the high standards. We get the projects executed with the contractor's who are working with us for early execution. We have our own list of sub- contractor in various states that help us get the work executed in those respective areas.

Our focus is to leverage our strong project management and execution capabilities in order to complete our projects in a timely manner while maintaining high quality of work. The use of skilled labour and modern equipment enables us to control the cost of the project, and minimizes occurrence of events resulting in stoppage of work due to accidents or breakdown of machinery at project sites.

Our Company is also focused on ensuring that each project is executed in conformity with the work description provided in the contracts and adheres to the quality and standard as desired. We enjoy accreditations such as the ISO 9001, 14001 & OHSAS 18001 certification.

### *3. Efficient Business Model*

Our growth is largely attributable to our efficient business model which involves careful identification and assessment of the project, with emphasis on cost optimization which is a result of executing our projects with careful planning and strategy. Our core business of leasing the fibre and duct on IRU basis to telecom operators is a unique business model which forms a major portion of our revenue. Further the business of leasing the fibre and duct on IRU basis has emerged beneficial for the Telecom operators as there are increasing difficulties and the increasing price of ROW faced by the Telecom operators.

Our business model relies more on our efficient liasoning, speed of execution, quality of work performed and maintenance of the laid network. We have our own ROW team across the states which help us as well as the telecom operators to get the required permissions in a simpler and faster way. Our project team by using modern equipments and efficient labour manpower completes the project with superior quality and within the required timeframe. It gives us the upper hand over the other partners engaged in the same activity. We also have our own maintenance team which maintain our own network as well as undertake the maintenance work outsourced to us for maintenance purpose by the telecom operators. Our Company follows a strategic approach during the project execution stage, which involves undertaking technical surveys and feasibility studies, identification of the material requirement at an early stage of project and the cost involved in undertaking the project. We believe that our project execution approach at each level of execution enables us to complete the project with the desired standards and with the most competitive cost. Further, we focus to ensure high quality standards, as a result of which, we believe, we are able to deliver the project successfully with the required standards.

The Current business model has facilitated us in maximizing our efficiency and increasing our profit margins. Additionally, use of the skilled manpower and modern equipment ensures better control over execution and timely completion of projects. Our experienced engineering and management teams are responsible for ensuring that we execute the project in a systematic and cost effective manner by monitoring operational costs, administrative costs and finance costs at every stage of the project cycle and applying checks and controls to avoid any cost and time overruns.

### *4. Long standing customer relationships with strong repeat business*

Our quality and on-time execution has helped us forge strong relationships with our major clients. We are providing services to the leading telecommunications company which includes PSUs Companies as well. We have a history of high client retention and derive a significant proportion of our revenues from repeat business built on our successful execution of prior engagements. In last three financial years, we have generated more than 95% of our revenue from operations from our top 10 customers, among which most were our existing clients. We have built long standing customer relationships which have helped us better understand our clients' business needs and enabled us to provide effective solutions to meet these needs.

### *5. Experienced Promoter, Management Team and Skilled Workforce*

We believe that we benefit from the vision, strategic guidance, experience, skills and relationships of several key members of our management team, including our Promoter and Managing Director, Dinesh Kollaiah Kargal, who has an overall experience of 27 years in the field of civil construction and telecom infrastructure business. His experience has been instrumental in our growth over the past. Our promoter and managing director has an experience of building and optic fibre network of around 35000 kms during his career. We also believe that our employees have been an important factor in our success as the quality of work is dependent on them. We believe in continuous development and have invested in our employees through steps to improve skills and service standards, enhance loyalty, reduce attrition rates and increase productivity. With the continuing involvement of the core members of our management team and key executives, we believe that we are well positioned to continue to tap growth opportunities across the business in the future.

## 6. *Quality Certification*

Our company believes in maintaining and adheres to quality standards. Our execution process is closely monitored by the project supervisors. Upon completion of the entire project a pre-acceptance testing of the entire project is done by the Project Team for self-righteousness and then the same is delivered to the client. In case of IP-I execution, once the pre-acceptance testing is cleared, the project is then offered to Operations & Maintenance team for final acceptance and testing.

Further our company has been accredited with ISO 9001:2015 certificate, 14001:2015 certificate & OHSAS 18001:2007 certificate.

## 7. *Co-ordial relationship with our suppliers and contractors*

In telecom sector, the mobile signal strength depends largely on the quality of the fibre cables used for transmission of signal from one place to another and the protection of such cable depends on the duct used to protect the fibre. In order to ensure customer satisfaction, quality of the work done and the timely delivery of the work are very important. In many of the projects, the customer provides the details of the suppliers from whom the material needs to be procured for the project. We also have a list of nominated suppliers and contractor with whom we have been working since long and we believe in the quality of the material provided and the work undertaken by them.

We maintain long term business relationship with our key suppliers and contractors with whom we have a mutual understanding. This long standing relationship with them has ensured us timely delivery of our materials, supply of quality materials, timely execution and work performance as per the desired guidelines. This has been beneficial for us as we are able to successfully execute our projects on time and develop strong relationships with our suppliers and customers.

## **Business operations**

Our business operations can be briefly classified under the below mentioned three heads:

### **1. Project Execution for Telecom operators (Vendor Projects)**

Project Execution for Telecom operators involves solely working for the Telecom operators as contractors. The Telecom companies based on their requirement notify the area where they require the Fibre network. Once this area is notified the telecom operators assign the projects and their requirements to us. On receiving the Project, we initiate the work of procuring the ROW permissions for the operators. On receiving the permission, we start executing the projects. The fibre is laid in the allowable ROW limits from the centre of the road and available land width. The depth of the trench and the protection material is based on the specifications given by the respective telecom operator. The entire activity is done with the assistance of labour and/ or machinery. The activity is done simultaneously on multiple routes across the areas. Once the fibre laying is complete the same is first tested by the project team and then acceptance testing is done by the operators (Acceptance Testing Team) for whom the project is executed. After such testing the network along with ROW documents are handed over to the Telecom operator.

### **2. Laying fiber under IP-I License (IP-I)**

Under the Infrastructure Providers Category I (IP-I) Licence, our company can establish and maintain the assets such as Dark Fibres, Right of Way and Duct Space for the purpose to grant on lease/rent/sale on IRU basis to the licensees of Telecom Services providers and other vendors on mutually agreed terms and conditions. Under the IP-I License we have developed our own network of around 7500 kms during the last 5 years. With our experience in telecom for the last decade we understand in telecom market and the requirement of the Telecom companies where they want the infrastructure to be build. We identify such strategic routes where the operators don't have their presence and build our network there. This network is then leased to telecom operators either by duct lease or by fibre lease. In some cases where the telecom operators are unable to build network by their

own on particular routes due to constraints like: High ROW Charges, overall project cost viability, Local issues etc. they ask us to execute the route. In such case we execute the route either on our own but the requisite permission for the route is on our name. Once the execution is completed the network is then leased to the telecom operator

For the projects executed under the IP-1 License, the right to use the network is given to the vendors on irrefutable basis for a specific period of time as agreed between the company and the vendors, and the ultimate ownership of the network is with our company.

### 3. Operations & Maintenance (O&M)

Our Company also undertakes the operations & maintenance activity for the telecom operators and of the leased fiber maintained under IP-1 License. Operation & Maintenance activities involves deploying manpower and tools required for maintenance such as splicing machine, rodometre, OTDR machine etc. to monitor the route of the operator and preventing the underground optic fiber therein from getting damaged due to activities like road repairs, digging and expansion works by various authorities. For the fibre laid by us either as vendor project or on own account under IP-1 license we are preferred for the operation and maintenance of the same as our team is aware of the exact position of the fibre laid.

The key focus under the operation and maintenance activity is the early identification of the faults and undertake the repair activities in a timely manner in order to minimize the network downtime. We ensure that in case of any cuts we splice the fibre within the MTTR given by the respective telecom operators. Our strength is to maintain the MTTR and the SLA of the respective telecom operator.

#### Factors that may affect the results of operations

Our business, results of operations and financial condition are affected by a number of factors, including:

- Dependence on limited number of large customers for a significant portion of our revenue who may exercise substantial negotiating leverage with us;
- Ability to keep abreast with the rapid technological changes;
- Reliance on limited number of third party suppliers for our key components and products;
- Any adverse impact on the telecommunications networking industry where most of our customers operate;
- Our ability to collect our dues and receivables from, or invoice our unbilled services to, our customers, our results of operations;
- Any adverse outcome in the legal proceedings in which we are involved;
- Our ability to obtain, maintain or renew requisite statutory and regulatory permits and approvals or non-compliance with and changes in, safety, health and environmental laws and other applicable regulations, may adversely affect our business, financial condition, results of operations and prospects;
- Any change in laws, rules and regulations and legal uncertainties.

#### Our Significant Accounting Policies

The Company has applied following accounting policies for presentation in the Financial Statement.

##### a) Revenue Recognition

###### i. Revenue from leasing out Fibre Capacity

Revenue from granting right to use the fibre capacity on the concept of IRU (Indefeasible Right to Use) is classified as “operating lease” in terms of Indian Accounting Standard – 17 “Leases”. Accordingly lease income is recognised on a straight-line basis over the lease term even if the receipts are not on such a basis, unless another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished.

###### ii. In respect of Contracts of Fibre Capacity Installation

- a) When the outcome of a construction contract can be estimated reliably, contract revenue and contract costs are recognised as revenue and expenses respectively by reference to the stage of completion of the contract activity at the balance sheet date ("percentage-of-completion method"). When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that are likely to be recoverable. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.
  - b) Contract revenue comprises the initial amount of revenue agreed in the contract and variations in the contract work and claims that can be measured reliably. A variation or a claim is recognised as contract revenue when it is probable that the customer will approve the variation or negotiations have reached an advanced stage such that it is probable that the customer will accept the claim.
  - c) The stage of completion is measured by reference to the ratio of contract costs incurred to date to the estimated total costs for the contract. Costs incurred during the financial year in connection with future activity on a contract are excluded from the costs incurred to date when determining the stage of completion of a contract. Such costs are shown as construction contract work-in-progress on the balance sheet unless it is not probable that such contract costs are recoverable from the customers, in which case, such costs are recognised as an expense immediately.
  - d) At the balance sheet date, the cumulative costs incurred plus recognised profit (less recognised loss) on each contract is compared against the progress billings. Where the cumulative costs incurred plus the recognised profits (less recognized losses) exceed progress billings, the balance is presented as "unbilled revenue" i.e. due from customers on construction contracts within "Other Current Financial Assets". Where progress billings exceed the cumulative costs incurred plus recognised profits (less recognized losses), the balance is presented as due to customers on construction contracts within "trade and other payables". Progress billings not yet paid by customers are included within "trade and other receivables". Advances received are included within "Other Current Liabilities".
- iii. Revenue is measured at the fair value of the consideration received or receivable, net of discounts, volume rebates, outgoing service tax, Goods & Service Tax (GST) and other applicable indirect taxes.
  - iv. Service tax / Goods & Service Tax (GST) is not received by the Company on its own account. Rather, it is tax collected on value added to the services by the service provider on behalf of the Government. Accordingly, it is excluded from revenue.
  - v. Revenue is recognized to the extent that it is possible that the economic benefits will flow to the company and the revenue can be reliably measured with reliable certainty of realizing the consideration.
  - vi. Revenue from the contract is recognized on percentage completion method by reference to the physical completion of the work. The Company raises the running bills on their customers as stipulated in the terms and conditions mentioned in the contract. However, on the basis of physical completion of the contract obtained from the survey by the technical consultants, any excess or shortfall in revenue is recognized as "Unbilled Revenue".

#### Other Incomes:

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Interest is accounted on accrual basis on overdue receivables.

#### Dividend

Dividend income is recognized when the right to receive dividend is established.

#### b) Property, Plant and Equipment

##### i. Property, Plant and Equipment

Property, plant and equipment are tangible items that:

- (c) are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and
- (d) are expected to be used during more than one period.

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, attributable borrowing cost and any other directly attributable costs of bringing an asset to working condition and location for its intended use. It also includes the present value of the expected cost for the decommissioning and removing of an asset and restoring the site after its use, if the recognition criteria for a provision are met.

Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to the statements of profit and loss in the period in which the costs are incurred. Major inspection and overhaul expenditure is capitalized if the recognition criteria are met when significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within other income/other expenses in statement of profit and loss.

An item of property, plant and equipment and any significant part initially recognised is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss, when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at the end of each financial year considering the physical condition of the property, plant and equipment and benchmarking analysis or whenever there are indicators for review of residual value and useful life.

Items such as spare parts, stand-by equipment and servicing equipment are recognised in accordance with this Ind AS when they meet the definition of property, plant and equipment. Otherwise, such items are classified as inventory. It is estimated that spares having a value of more than Rs. 2 lacs are assumed to qualify for the definition of property plant equipment. Life of the spares has been considered to be 18 months. Residual value of 5% has been considered for all the spares capitalised. The residual value of such spares is transferred to the Statement of Profit and Loss as and when they are consumed.

#### c) Capital Work-in-Progress

Assets in the course of construction are capitalized in capital work in progress account. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the commissioning of an asset are capitalised when the asset is available for use but incapable of operating at normal levels until the period of commissioning has been completed.

#### d) Depreciation

Assets in the course of development or construction and freehold land are not depreciated.

Other property, plant and equipment are stated at cost less accumulated depreciation and any provision for impairment. Depreciation commences when the assets are ready for their intended use.

Depreciation is calculated on the depreciable amount, which is the cost of an asset less its residual value. Depreciation is provided at rates calculated to write off the cost, less estimated residual value, of each asset on a written down value basis over its expected useful life.



Depreciation on Property, plant and equipment sold, discarded or demolished during the year, if any, is being provided pro-rata up to the date on which such Property, plant and equipment are sold, discarded or demolished.

Depreciation on Property, plant and equipment is provided for on a written down value method at the rates prescribed in Schedule II to the Companies Act, 2013.

Pursuant to the Act being effective from 01 April 2014, the Company has revised depreciation rates on certain Property, plant and equipment as per the useful life specified in Part 'C' of Schedule II to the Act. As a result of this change, the depreciation charge for the year ended 31 March 2015 is higher by an amount of Rs. 0.12 million in respect of Property, plant and equipment whose useful life is already exhausted as on 01 April 2014 has been adjusted from retained earnings.

#### e) Intangible Assets

Intangible assets acquired are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite. The Company currently does not have any intangible assets with indefinite useful life. Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

#### f) Cash & Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

#### g) Inventories

Inventories being raw materials are valued at the lower of cost and net realisable value (NRV).

Inventory being Work-in-Progress are valued in terms of accounting standard – 11 “Construction Contracts”.

#### h) Employee Benefits

##### Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, performance incentives and compensated absences which are expected to occur in next twelve months. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

##### Compensated absences:

Compensated absences accruing to employees and which can be carried to future periods but where there are restrictions on availment or encashment or where the availment or encashment is not expected to occur wholly in the

next twelve months, the liability on account of the benefit is determined actuarially using the projected unit credit method.

#### Post-employment benefits

##### Defined benefit plans – Gratuity

The Company has a defined benefit plan (the “Gratuity Plan”). The Gratuity Plan provides a lump sum payment to employees who have completed five years or more of service at retirement, disability or termination of employment, being an amount based on the respective employee’s last drawn salary and the number of years of employment with the Company. Presently the Company’s gratuity plan is unfunded.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets if any. This cost is included in employee benefit expense in the statement of profit and loss.

The liability or asset recognised in the balance sheet in respect of gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets if any. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income and are never reclassified to profit or loss. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the statement of profit and loss as past service cost.

##### Defined Contribution Plans – Provident Fund

Provident Fund & Pension Fund are defined contribution schemes as per applicable rules/statute and contribution made to the Provident Fund Trust and Regional Provident Fund Commissioner respectively are charged to the Statement of Profit and Loss.

#### i) Taxation

##### Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

##### Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, except when it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will



be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

#### j) Earning Per Share

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit and loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit and loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

#### k) Provisions and Contingencies

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS.

Provisions represent liabilities to the Company for which the amount or timing is uncertain. Provisions are recognized when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in the statement of profit and loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

The Company has significant capital commitments in relation to various capital projects which are not recognized on the balance sheet. In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Company involved, it is not expected that such contingencies will have a material effect on its financial position or profitability.

Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefits is probable.

#### l) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

m) Impairment of Non-Current Assets

An asset is considered as impaired when at the date of Balance Sheet there are indications of impairment and the carrying amount of the asset exceeds its recoverable amount (i.e. the higher of the fair value less cost to sell and value in use). The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the Statement of Profit and Loss. The impairment loss recognized in the prior accounting period is reversed if there has been a change in the estimate of recoverable amount. Post impairment, depreciation is provided on the revised carrying value of the carrying value of the impaired asset over its remaining useful life.

n) Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is treated as deferred income and released to the statement of profit and loss over the expected useful lives of the assets concerned. When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to statement of profit and loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

o) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Finance leases in respect of land and building against which all lease payments are made at the time of inception of lease are amortized over the useful life or lease term, whichever is higher, on written down value method as per depreciation policy of the Company.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight line basis over the lease term.

p) Financial instruments – initial recognition, subsequent measurement and impairment

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### Financial Assets

##### Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through statement of profit and loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

##### Subsequent measurement

Subsequent measurement of financial assets is described below -

##### Financial Assets – Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'passthrough' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

##### Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits and trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18.

##### Trade Receivables

A receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

In other words, trade receivables are recognised initially at fair value and subsequently measured at amortised cost less expected credit loss, if any.

#### Financial liabilities – Recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through statement of profit and loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

#### Financial liabilities – Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability.

The difference in the respective carrying amounts is recognised in the statement of profit and loss.

#### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

#### q) Investment in Subsidiaries, joint ventures and associates:

**Subsidiary:** A subsidiary is an entity controlled by the Company. Control exists when the Company has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over entity. Power is demonstrated through existing rights that give the Company the ability to direct relevant activities, those which significantly affect the entity's returns.

**Associate:** Associate entities are entities, over which an investor exercises significant influence but not control. Significant influence is defined as power to participate in the financial or operating policy decisions of the investee but not control over the policies.

The Company assumes that holding of 20% or more of the voting power of the investee (whether directly or indirectly) gives rise to significant influence, unless contrary evidences exist.

**Joint arrangement:** A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

#### r) Foreign currency transactions

In the financial statements of the Company, transactions in currencies other than the functional currency are translated into the functional currency at the exchange rates ruling at the date of the transaction.

Monetary assets and liabilities denominated in other currencies are translated into the functional currency at exchange rates prevailing on the reporting date. Non-monetary assets and liabilities denominated in other currencies and measured at historical cost or fair value are translated at the exchange rates prevailing on the dates on which such values were determined.

All exchange differences are included in the statement of profit and loss except any exchange differences on monetary items designated as an effective hedging instrument of the currency risk of designated forecasted sales or purchases, which are recognized in the other comprehensive income.

#### s) Use of Estimates and Judgments

The preparation of the financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates under different assumptions and conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

### CHANGES IN ACCOUNTING POLICIES IN THE PERIODS/YEARS COVERED IN THE RESTATED FINANCIALS

There is change in significant accounting policies adopted by the Company, the details of which are as under:

The Company has not been following the provisions of Accounting Standard – 15 “Employee Benefits” issued by the Institute of Chartered Accountants of India for provision for Gratuity in the accounts prepared as per previous GAAP upto period ending 31st March, 2017. However, in Ind AS financial statements, for the year ending 31st March, 2018, the Company has followed the provision of Ind AS – 19 “Employee Benefits” with retrospective application thereof and accordingly, in standalone Ind AS financials statements, the Company has complied with the provisions of Ind AS -19 “Employee Benefits”.

### RESULTS OF OUR OPERATIONS

The following table sets forth certain information with respect to our revenues, expenses and profits, also expressed as a percentage of our total revenue, for the Fiscal year 2018, 2017, 2016 and 2015 as derived from our restated consolidated financial statements:

(Amt. in Rs. million)

Particular	March 31, 2018		March 31, 2017		March 31, 2016	
	Amt	%	Amt	%	Amt	%
Revenue from Operations	3021.73	99.80	1692.32	99.60	1222.53	99.80
Other Incomes	6.05	0.20	6.80	0.40	2.49	0.20
Total Income	3027.78	100.00	1699.11	100.00	1225.02	100.00
Expenses:						
Operational Expenses	1540.96	50.89	1036.35	60.99	749.57	61.19
Cost of Raw Material Consumed	388.27	12.82	73.33	4.32	93.53	7.63
Changes in Inventories of Raw Material and work-in-progress	(174.98)	(5.78)	0.00	0.00	26.85	2.19
Employee Benefits Expenses	86.40	2.85	68.87	4.05	38.08	3.11
Finance Costs	19.87	0.66	27.81	1.64	20.65	1.69
Depreciation And Amortization Expense	112.94	3.73	97.26	5.72	61.82	5.05
Administrative and Other Expenses	101.43	3.35	57.10	3.36	37.04	3.02

Total Expenses	2074.89	68.53	1360.72	80.08	1027.55	83.88
Profit before exceptional items, share of net profits of investments accounted for using equity method and tax	952.89	31.47	338.39	19.92	197.47	16.12
Share of Net Profit of Associates accounted for using equity method	(0.61)	(0.02)	0.00	0.00	0.00	0.00
Profit/(loss) before exceptional items and tax	952.27	31.45	338.39	19.92	197.47	16.12
Exceptional Items	1.12	0.04	0.42	0.02	0.35	0.03
Profit/(loss) before tax	951.15	31.41	337.97	19.89	197.13	16.09
Tax Expense						
- Current Tax	330.23	10.91	116.63	6.86	66.22	5.41
- Deferred Tax Liability / (Asset)	3.86	0.13	0.98	0.06	2.02	0.16
Interest on Income Tax	0.06	0.00	0.32	0.02	0.00	0.00
Restated profit/(loss) after tax for the period from continuing operations	616.99	20.38	220.04	12.95	128.89	10.52
Total Other Comprehensive Income for the Period	1.02	0.03	(0.22)	(0.01)	0.09	0.01
Restated Profit/(loss) for the period	618.01	20.41	219.82	12.94	128.98	10.53

### Principal components of statements of profit and loss

**Revenue** - Total revenue consists of revenue from operations and other income.

**Revenue from Operations** – Revenue from operations comprises of revenues from the laying of optical fibre cable.

**Other Income** – Other income primarily includes Interest on Fixed Deposits, Interest on IT Refunds, Interest on Deposits with Parties, Discounts and Other Incomes.

**Expenses** - Our total expenses consist of operational expenses, purchase of stock in trade, changes in inventories of finished goods, work-in-progress, employee benefit expenses, finance cost, depreciation and amortization expenses and administrative expenses.

**Operational expenses** – Operational expenses comprises cost incurred towards the cost of operations and the charges paid to the sub-contractors.

**Cost of Raw Material Consumed** – Cost of Raw material consumed primarily comprises of expenses towards purchase of material. The primary raw materials which are used are duct, optic fibre cable, joints and other related materials.

**Changes in inventories of raw material and work-in-progress** -We include net of our closing and opening stocks of raw material and work in progress as an expense.

**Employee benefit expense** – Employee benefit expense primarily includes expenses towards salaries and wages, director remuneration, contributions to provident and other funds, gratuity, leave encashment, bonus and staff welfare expenses.

**Finance Cost** – Finance cost primarily consists of interest on short-term and long-term loans from banks and other finance charges.

**Depreciation and amortization expenses** – Depreciation and amortization expenses primarily consist of depreciation of tangible and intangible fixed assets.

**Other expenses** – Other expenses primarily include costs incurred towards power and fuel, outward freight, other manufacturing expenses, repairs and maintenance, rent, conveyance and travelling expenses and other administrative expenses.

**Exceptional Items:** Our exceptional item consists of Bad Debts W/Off, Excess Refund of Income-tax of Previous Years and (Profit)/Loss on sale of fixed assets.

**Current tax expense** – Our current income tax expenses are calculated in accordance with tax regulations relevant to our business.

**Deferred tax charge/ (credit)** - Our deferred tax expense and benefit reflects the tax effects of timing differences between accounting and taxable income for the period.

## Our Results of Operations

For the Fiscal year ended March 31, 2018.

**Total revenue:** Our total revenue for the Fiscal year ended March 31, 2018 was ₹ 3027.78 million, of which revenue from operations was ₹ 3021.73 million and other income of ₹ 6.05 million.

**Revenue from Operations:** Our revenue from operations comprises of revenue from laying of optic fibre cable is ₹ 3021.73 million. Revenue from operations represents 99.80% of our total revenue.

**Other Income:** Our other income for the Fiscal year ended March 31, 2018 was 6.05 million which comprises of interest income of ₹ 5.84 million. Other income represents 0.20% of our total revenue.

**Operational Expenses:** Our operational Expenses was ₹ 1540.96 million for the Fiscal year ended March 31, 2018, primarily comprises of operational cost and the cost of sub-contracting. Operational expenses represent 50.89% of our total revenue.

**Cost of raw material consumed:** Cost of raw material consumed amounted to ₹ 388.27 million for the Fiscal year ended March 31, 2018, which primarily comprise of purchase of cables and ducts. Purchase of stock in trade represents 12.82% of our total revenue.

**Changes in inventories of raw material & work-in-progress:** The changes in inventories of finished goods, work-in-progress were negative ₹ 174.98 million for the Fiscal year ended March 31, 2018.

**Employee benefits expenses:** Our employee benefit expenses amounted to ₹ 86.40 million for the Fiscal year ended March 31, 2018, which includes salary and wages of ₹ 61.70 million, director's remuneration of ₹ 22.10 million and other of ₹ 2.60 million. Further, the employee benefit expenses represent 2.85% of our total revenue.

**Finance costs:** Our finance costs was ₹ 19.87 million for the Fiscal year ended March 31, 2018 primarily includes interest on working capital, interest on term loans and other financials charges. Finance cost represents 0.66% of our total revenue.

**Depreciation and Amortisation:** The depreciation and amortisation expenses were ₹ 112.94 million for the Fiscal year ended March 31, 2018. The depreciation and amortisation expenses represent 3.73% of our total revenue.

**Administrative & Other expenses:** Our other expenses was ₹ 101.43 million for the Fiscal year ended March 31, 2018, which primarily comprises of power and fuel expenses, other manufacturing expenses, repairs and maintenance, outward freight, rent, conveyance and travelling expenses and other administrative expenses. Our other expenses represent 3.35% of our total revenue.

**Tax expense:** Our tax expense was ₹ 334.16 million after considering deferred tax of ₹ 3.86 million for the Fiscal year ended March 31, 2018.



**Profit/ (loss) for the period, as restated:** Our profits after tax as restated for the Fiscal year ended March 31, 2018 was ₹ 618.01 million which represents 20.41% of our total revenue.

#### **Fiscal 2018 compared to Fiscal 2017**

**Total revenue:** Our total revenue has increased from ₹ 1699.11 million for the Fiscal 2017 to ₹ 3027.78 million for the Fiscal 2018. This was primarily on account of increase in revenue from operations.

**Revenue from operations:** Our revenue from operations rise from ₹ 1692.32 million in Fiscal 2017 to ₹ 3021.73 million in Fiscal 2018. Revenue from operations comprises of revenue from laying of the optic fibre cable.

**Other income:** Our other income has decreased by 11.03% from ₹ 6.80 million for the Fiscal 2017 to ₹ 6.80 million for the Fiscal 2018, primarily on account of decrease in interest income.

**Total expenses:** Our total expenses have increased by 52.48% from ₹ 1360.72 million for the Fiscal 2017 to ₹ 2074.89 million for the Fiscal 2018. This was mainly due to increase in material cost and the operational costs.

**Operational Cost:** Our operational cost has increased by 48.69% from ₹ 1036.35 million for the Fiscal 2017 to ₹ 1540.96 million for the Fiscal 2018, primarily due to increase in the operational cost and sub contracting cost.

**Cost of raw material consumed:** The cost of raw material consumed has increased by 429.50% from ₹ 73.33 million in Fiscal 2017 to ₹ 388.27 million in Fiscal 2018. The increase in cost of raw material consumed was mainly on account of purchase of material.

**Changes in inventories of raw material and work-in-progress:** In Fiscal 2018, the changes in inventories of raw material and work-in-progress stood at ₹ (174.98) million as compared to ₹ Nil million in Fiscal 2017.

**Employee benefits expense:** Our employee benefit expense has increased by 25.45% from ₹ 68.87 million for the Fiscal 2017 to ₹ 86.40 million for the Fiscal 2018, primarily due to increase in the salaries and wages paid to employees. Further, the employee benefit expense as a percentage of total revenue has decreased from 4.05% in Fiscal 2017 to 2.85% in Fiscal 2018.

**Finance cost:** Our finance cost has decreased by 28.56% from ₹ 27.81 million for the Fiscal 2017 to ₹ 19.87 million for the Fiscal 2018, mainly due to decrease in interest on working capital. However, the finance cost as a percentage of total revenue has decreased from 1.64% in Fiscal 2017 to 0.64% in Fiscal 2018.

**Depreciation and amortisation Expenses:** The depreciation and amortisation expenses has increased by 16.12% from ₹ 97.26 million for the Fiscal 2017 to ₹ 112.94 million for the Fiscal 2018, mainly due to increased depreciation on fixed assets added during Fiscal 2018.

**Other expenses:** Our other expenses increased by 77.63% from ₹ 57.10 million in Fiscal 2017 to ₹ 101.43 million in Fiscal 2018, primarily due to increase in expenses. Our other expenses as a percentage of total revenues have marginally decreased from 3.36% in Fiscal 2017 to 3.35% in Fiscal 2018.

**Profit before exceptional items and tax, as restated:** Our profit before exceptional items and tax, as restated increased by 181.59% from ₹ 338.39 million in Fiscal 2017 to ₹ 952.89 million in Fiscal 2018 primarily on account of increases in revenue from operations. As a percentage of total revenue, our profit before exceptional items and tax, as restated has increased from 19.92% in Fiscal 2017 to 31.47% in Fiscal 2018.

**Tax expense:** Our tax expense has increased by 183.34% from ₹ 117.93 million in Fiscal 2017 to ₹ 334.16 million in Fiscal 2018 primarily on account of increase in profits and revenue from operations.

**Profit / (loss) for the period, as restated:** Our profits have increased by 181.14% from ₹ 219.82 million in Fiscal 2017 to ₹ 618.01 million in Fiscal 2018 due to rise in revenue from operations. Further, profit for the period as a percentage of total revenue has increased from 12.94% in Fiscal 2017 to 20.41% in Fiscal 2018.

#### **Fiscal 2017 compared to Fiscal 2016**



**Total revenue:** Our total revenue has increased from ₹ 1225.02 million for the Fiscal 2016 to ₹ 1699.11 million for the Fiscal 2017. This was primarily on account of increase in revenue from operations.

**Revenue from operations:** Our revenue from operations comprises of revenue from laying of optical fibre cable amounting to ₹ 1692.32 million and ₹ 1222.53 million for Fiscal 2017 and Fiscal 2016 respectively. The overall increase in revenue from operations is attributable to increase in operating activities.

**Other income:** Our other income has increased by 173.20% from ₹ 2.49 million for the Fiscal 2016 to ₹ 6.80 million for the Fiscal 2017, primarily on account of interest income.

**Total Expenses:** Our total expenses have increased by 32.42% from ₹ 1027.55 million for the Fiscal 2016 to ₹ 1360.72 million for the Fiscal 2017. This was mainly due to increase in employee benefit cost, finance costs and depreciation.

**Operational expenses:** Our operational expenses have increased by 38.26% from ₹ 749.57 million for the Fiscal 2016 to ₹ 1036.35 million for the Fiscal 2017, primarily on account of increase in operations.

**Cost of Raw Material consumed:** The cost of raw material consumed have decreased by 21.60% from ₹ 93.53 million in Fiscal 2016 to ₹ 73.33 million in Fiscal 2017.

**Changes in inventories of raw material and work-in-progress:** In Fiscal 2017, the changes in inventories of raw material and work-in-progress stood at ₹ Nil million as compared to ₹ 26.85 million in Fiscal 2016.

**Employee benefits expenses:** Our employee benefit expenses have increased by 80.86% from ₹ 38.08 million for the Fiscal 2016 to ₹ 68.87 million for the Fiscal 2017, on account of increments to the employees. Further, the employee benefit expenses as a percentage of total revenue has increased from 3.11% in Fiscal 2016 to 4.05% in Fiscal 2017.

**Finance cost:** Our finance cost has increased by 34.63% from ₹ 20.65 million for the Fiscal 2016 to ₹ 27.81 million for the Fiscal 2017, primarily on account of an increase in interest on working capital loans.

**Depreciation and amortisation expenses:** The depreciation and amortisation expenses have increased by 57.32% from ₹ 61.82 million for the Fiscal 2016 to ₹ 97.26 million for the Fiscal 2017, mainly due to additions in fixed assets.

**Other expenses:** Our other expenses increased by 54.14% from ₹ 37.04 million in Fiscal 2016 to ₹ 57.10 million in Fiscal 2017, primarily due to increase in administrative expenses.

**Profit before tax, as restated:** Our profit before exceptional items and tax, as restated increased by 71.36% from ₹ 197.47 million in Fiscal 2016 to ₹ 338.39 million in Fiscal 2017 primarily on account of increases in revenue from operations. As a percentage of total revenue, our profit before exceptional items and tax, as restated has increased from 16.12% in Fiscal 2016 to 19.92% in Fiscal 2017.

**Tax expense:** Our tax expense has increased from ₹ 68.24 million in Fiscal 2016 to ₹ 117.93 million in Fiscal 2017 primarily on account of increase in profits leading to a higher tax expense.

**Profit/ (loss) for the period, as restated:** Our profits, as restated have increased by 70.43% from ₹ 128.98 million in Fiscal 2016 to ₹ 219.82 million in Fiscal 2017 due to increase in operation and revenue. Further, profit for the period as a percentage of total revenue has increased from 10.53% in Fiscal 2016 to 12.94% in Fiscal 2017.

## Financial Condition

### Assets & Liabilities

The following sets certain components of our assets and liabilities as on the dates specified:

(Amt. in Rs. million)

Particulars	As At		
	March 31, 2018	March 31, 2017	March 31, 2016
<b>Non Current Liabilities</b>			
Long-term Borrowings	94.25	96.39	36.21
Other Long Term Liabilities	1060.47	797.59	472.30
<b>Current Liabilities</b>			
Short-term Borrowings	166.99	0.00	78.38
Trade Payables	1367.29	436.97	376.33
Other Financial Liabilities	40.65	53.68	75.05
Other Current Assets	163.13	128.28	68.95
<b>Current Assets</b>			
Trade Receivables	821.03	475.75	238.18
Other Current Assets	1625.08	473.79	292.40

### Defaults in payment of statutory dues

There are no defaults by the Company in payment of any of its statutory dues. However, there have been delays in remittances of certain statutory dues.

### Liquidity and capital resources

As of March 31, 2018, we had cash and bank balances of ₹ 5.87 million. Cash and bank balances consist of cash on hand, bank balances and balances held as margin money against Bank Guarantees. Our primary liquidity needs have been to finance our operations, working capital needs and capital expenditures. We have historically met our liquidity needs primarily through a combination of borrowings and internally generated cash flows.

### Cash flows

Set forth below is a table of selected information from our Company's restated cash flow statements for the periods indicated.

(Amount in Rs. million)

Particulars	For the Year ended		
	March 31, 2018	March 31, 2017	March 31, 2016
Net cash generated from/(used in) operating activities	275.50	469.63	287.76
Net cash (used in) Investing Activities	(551.95)	(238.60)	(267.73)
Net cash(used in) / from financing activities	144.98	(100.25)	(43.78)
Net Increase/(decrease) in Cash & Cash Equivalents	(131.46)	130.78	(23.75)

### Contingent Liabilities not provided for and commitments as on March 31, 2018

(Amount in Rs. million)

Particulars	As At		
	March 31, 2018	March 31, 2017	March 31, 2016
<b>Contingent Liabilities</b>			
Guarantees & LC excluding financial guarantees	374.21	179.36	126.20
<b>Total</b>	<b>374.21</b>	<b>179.36</b>	<b>126.20</b>

### Off-Balance Sheet Items

We do not have any other off - balance sheet arrangements, derivative instruments or other relationships with any entity that have been established for the purposes of facilitating off-balance sheet arrangements

## **Financial Risk Factors**

The Company's principal financial liabilities comprise of current and non-current borrowings, trade and other payables, advance from customers, security deposits, retention moneys and other such payables. The main purpose of these financial liabilities is to manage finances for the Company's operations and also for purchase of capital assets and for safeguarding its interests under contracts.

The Company has given loans to its employees, trade and other receivables, investments in equity shares and cash and cash equivalents that arise directly from its operations as a part of its financial assets.

The Company's activities expose it to a variety of financial risks:

### **a. Credit Risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

#### **Trade and other receivables**

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry.

A default on a financial asset is when the counterparty fails to make contractual payments within 90 days of when they fall due. This definition of default is determined by considering the business environment in which Company operates and other macro-economic factors. Credit quality of a customer is assessed based on its credit worthiness and historical dealings with the Company, market intelligence and goodwill. Outstanding customer receivables are regularly monitored.

The Company has established an allowance for impairment that represents its expected credit losses in respect of trade and other receivables. The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables and 12-month expected credit loss for other receivables. An impairment analysis is performed at each reporting date on an individual basis for major parties.

#### **Cash and cash equivalents**

Credit risk on cash and cash equivalents and other deposits with banks is limited as the Company generally invest in deposits with banks with high credit ratings assigned by external credit rating agencies, accordingly the Company considers that the related credit risk is low. Impairment on these items are measured on the 12-month expected credit loss basis.

### **b. Market Risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

Financial Instruments affected by Market Price Risk include investments made in equity instruments by the Company.

There are no currency rate risk on the Company since all the transactions are done in the functional currency (INR).

### **c. Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to

managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Management monitors rolling forecasts of the group's liquidity position and cash and cash equivalents on the basis of expected cash flows.

#### **d. Interest Rate Risk**

The Company is exposed to interest rate risk on short-term and long-term borrowings. The Company's policy is to maintain a balance of fixed and floating interest rate borrowings and proportion of fixed and floating rate debt is determined by current market interest rates. The borrowings of the Company are principally denominated in Indian Rupees and accordingly, there is no currency exchange risk on interest rate.

The Company's borrowings and deposits/loans are all at fixed rate and are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

#### **Significant developments after March 31, 2018**

Except for the details mentioned below or as mentioned elsewhere in the Red Herring Prospectus there are no other developments which to the best of our knowledge, there have been no subsequent developments after the date of our financial statements contained in this Red Herring Prospectus which materially affects, or is likely to affect, our operations or profitability, or the value of our assets, or our ability to pay our material liabilities within the next 12 months.

- Change in the Statutory Auditor of our Company from Nair and Nair Associates, Chartered Accountants to Mansaka Ravi and Associates, Chartered Accountants with effect from September 04, 2018.
- Our Company has secured an operating lease amounting to Rs. 150.00 Million from Tata Capital Financial Services Limited
- Appointment of Mr. Navin Kumar Jain as Additional Independent Director on August 01, 2018 which was further regularized in the Annual General Meeting of the Company held on September 04, 2018.
- Resignation of Mr. Sharad Gyanchandra Gandhi as Independent Director of our Company with effect from August 01, 2018.

#### **Unusual or infrequent events or transactions**

To the best of our knowledge, except as disclosed in this Red Herring Prospectus, there have been no transactions or events which, in our judgment, would be considered unusual or infrequent.

#### **Significant economic and regulatory changes**

Except as described in "*Risk Factors*" and "*Regulations and Policies*" beginning on pages 18 and 125 respectively of this Red Herring Prospectus, to the best of our knowledge, there have been no significant economic or regulatory changes that we expect could have a material adverse effect on our results of operations.

#### **Known trends or uncertainties**

Other than as described in the section titled "*Risk Factors*" beginning on page 18 and chapter titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on page 371 respectively of this Red Herring Prospectus, to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on our revenues or income from continuing operations.

#### **Future relationship between cost and revenue**

Other than as described in the section "*Risk Factors*" beginning on page 18 and chapter titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on page 371 respectively of

this Red Herring Prospectus, there are no known factors that might affect the future relationship between cost and revenue.

The extent to which material increases in net sales or revenue are due to increased volume. The changes in income from operations in the last three Fiscals have been as explained in this section.

### **Total turnover of each major industry segment**

For details of the total turnover of major industry segment refer section “*Industry Overview*” beginning on page 101 of this Red Herring Prospectus.

### **New product or business segment**

Other than as described in the chapter titled “*Our Business*” beginning on page 113 of this Red Herring Prospectus, to our knowledge, there are no new business segments.

### **Seasonality**

The working at the project site may be affected due to adverse weather conditions which is relatively unpredictable.

### **Dependence on few customers and suppliers**

Other than as described in this Red Herring Prospectus, particularly in sections “*Risk Factors*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 18 and 371 respectively, to our knowledge, there is no significant dependence on a single or few customers or suppliers. Below are details of our top 5 customers for the last 3 years:-

(In Rs. Million)

<b>Sr. No</b>	<b>Customer Name</b>	<b>March 31, 2018</b>
1	Bharti Airtel	1224.37
2	Reliance Corporate IT Park	809.43
3	Idea Cellular Limited	320.73
4	V & A Ventures	214.36
5	Vodafone Services	71.55
	<b>Total</b>	<b>2640.44</b>

(In Rs. Million)

<b>Sr. No</b>	<b>Customer Name</b>	<b>March 31, 2017</b>
1	Bharti Airtel	793.97
2	Telecommunication Consultants India Limited	221.75
3	Reliance Corporate IT Park	129.61
4	Idea Cellular Limited	95.53
5	Reliance Jio Infocomm Limited	94.62
	<b>Total</b>	<b>1335.49</b>

(In Rs. Million)

<b>Sr. No</b>	<b>Customer Name</b>	<b>March 31, 2016</b>
1	Bharti Airtel	538.98
2	Telecommunication Consultants India Limited	211.84
3	Reliance Corporate IT Park	120.13
4	Reliance Jio Infocomm Limited	96.21
5	Idea Cellular Limited	35.73
	<b>Total</b>	<b>1002.89</b>

### **Competitive conditions**

For further details, please refer to the discussions of our competition in the section titled “*Risk Factors*” on page 18 and chapter titled “*Our Business*” beginning on page 113 respectively of this Red Herring Prospectus.

### **Certain matters noted by auditors**

Auditors of our Company have not specified any qualifications/ observations/matters of emphasis in their respective audit reports of our Company. However, auditors of our Company have included certain matters in Annexure to the Auditor's report which are discussed in our restated standalone and consolidated financial information. Please refer to the chapter titled "*Financial Statements*" beginning on page 159 of this Red Herring Prospectus for further details.

## SECTION VI - LEGAL AND OTHER INFORMATION

### 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, Promoters and our Subsidiary. Our Board, in its meeting held on February 21, 2018 determined that the outstanding litigations involving our Company, its Subsidiary, its Group Companies, its Directors and its Promoters shall be considered material if: (i) the aggregate amount involved in such individual litigation exceeds 1% of consolidated profit after tax of our Company, as per the last audited financial statements; or (ii). 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 1% of the consolidated profit after tax of our Company as per the last consolidated audited financial statements, if similar litigations put together collectively exceed 1% of the consolidated profit after tax of our Company; or (iii). litigations whose outcome could have a material impact on the business, operations, prospects or reputation of our Company and the Board or any of its committees shall have the power and authority to determine the suitable materiality thresholds for the subsequent financial years on the aforesaid basis or any other basis as may be determined by the Board or any of its committees.

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 February 21, 2018 determined that in view of the nature and extent of outstanding dues of our Company and the nature and extent of the business operations undertaken by our Company, the dues owed by our Company to the small scale undertakings and other creditors exceeding 5% of our Company's consolidated trade payables for the last audited financial statements shall be considered as material dues for our Company. The details of outstanding dues to such small scale undertakings and other creditors shall be uploaded on the website [www.depl.co.in](http://www.depl.co.in) of our Company as required under the SEBI ICDR Regulations.

Our Company, Directors, Promoters, Subsidiary and Group Companies are not Wilful Defaulters and there have been no violations of securities laws in the past or pending against them.

### LITIGATION INVOLVING OUR COMPANY

#### A. LITIGATION FILED AGAINST OUR COMPANY

##### Criminal matters

#### 1. Criminal Case No.3968/SS/2011 filed before the Hon'ble Additional Chief Metropolitan Magistrate, 5<sup>th</sup> Court Dadar, Mumbai ("ACMM").

The Labour Enforcement Officer (Central)-II has filed a Criminal Case bearing No. 3968/SS/2011 dated April 13, 2011 against our Company for the violation of Rules 22, 26(1) and 26(2) of the Minimum Wages (Central) Rules, 1950 and Minimum Wages Act, 1948 at Tata Communication Limited, Mumbai. Summons has been issued to our Company by the ACCM dated October 23, 2017 and also by the office of the Labour Enforcement Officer, Mumbai to appear before the ACMM in respect of the Criminal Case No.3968/SS/2011 filed before the ACMM in respect of Section 22 A of Minimum Wages Act, 1948. The matter is pending before ACMM.



## 2. First Information Report dated October 11, 2015 filed by Hanumayya Ganga.

Hanumayya Ganga (“**Complainant**”) had filed a First Information Report dated October 11, 2015 bearing no. 0250/2015 against Govindappa Vadde; Nagaraj Vadde, Lokapal Kyatanavar, Vijayakumar Reks and others (“**Accused**”) being persons engaged by our Company for carrying on certain works at Mudlapur Village under Section 304 (A) of Indian Penal Code 1860. The Complainant has inter-alia alleged that the Accused failed to take the necessary safety precautions in the work of laying cable wires in Village Mudalpur (“**Project Site**”) which led to accidental death of Mr. Nagendra, a labourer at the Project Site who was the son of the Complainant. The matter is pending before the Additional Civil Judge (Jr. Dn.) & JMFC Court, Koppal.

## 3. Criminal Miscellaneous application 48/18 filed before the Court of Hon’ble Judicial Magistrate First Class, Bicholim, Goa by State of Goa represented by Labour Enforcement Officer (Central), Ponda (“**Complainant**”) against the Company (“**Accused**”)

An inspection was carried out by the Labour Enforcement Officer (Central), Ponda at Vasco- Da-Gama, Goa at Bicholim site on November 22, 2017 and found certain irregularities in Contract Labour (Regulation & Abolition), Act, 1970 and Central Rules. Subsequently, the Complainant has filed a Criminal Miscellaneous Application 48/18 dated April 17, 2018 under Section 24 of the Contract Labour (Regulation & Abolition), Act, 1970 and Central Rules, 1971 against our Company for the violation of Rule 12 (1) viz. employing contract labour without obtaining licenses, Rule 81(1)(i) viz. non display of notices showing rates of wages, hours of work etc, Rule 25(2)(viii) viz. non submission of commencement/completion of Contract work and Rule 80(1) viz. non maintenance of register of persons of the Contract Labour (Regulation & Abolition) Rules, 1971 before the Court of Hon’ble Judicial Magistrate First Class, Bicholim, Goa inter-alia praying that appropriate actions be taken against the Company as per Section 24 of The Contract Labour (Regulation and Abolition) Act, 1970 and rules made thereunder. The Complainant has also filed an application for condonation of delay under Section 473 of Code of Criminal Procedure, 1908 to condone the delay of 55 days in filing the complaint. The matter is pending before the Court of Hon’ble Judicial Magistrate First Class, Bicholim, Goa.

## Litigation Involving Actions by Statutory/Regulatory Authorities

### 1. W.C. No. 24/2015 filed before the Court of the Hon’ble Chief Senior Civil Judge, Kopal (“**CSCJ**”).

An Application dated February 10, 2016 bearing number W.C. No 24/2015 was filed by Hanumayya Ganga (“**Applicant**”) before CSCJ against our Company claiming the compensation amounting to ₹0.88 million pursuant to the accidental death of his son Nagendra while carrying on duties for the Company. The said amount has been deposited by the Company with the CSCJ. The matter is currently pending before Hon’ble Chief Senior Civil Judge, Kopal.

### 2. Claim Application filed before the Regional Labour Commissioner (Central), Mumbai by Shri Alok Tripathi, Labour Enforcement Officer (“**Petitioner**”) against the Company (“**Opponent**”).

An Application dated July 5, 2016 bearing number No. MCA- 26/2016 was filed by Alok Tripathi, Labour Enforcement Officer before Regional Labour Commissioner (Central), Mumbai against the Company for the violation of Section 20 (2) of Minimum Wages Act, 1948 as the Opponent who was engaged in laying of OFC cable had paid 10 (ten) workers engaged by them, wage amounts less than minimum wages fixes. Hence, the claim was filed claiming compensation amounting to ₹0.032 million. The Regional Labour Commissioner vide his Order dated April 28, 2017 allowed the claim petition and directed the Opponent to deposit ₹0.006 million within a period of 15 (fifteen) days from the receipt of the Order. The Company is yet to make the above payment.

## Civil Matters

### 1. Short Cause Suit No. 100791 of 2017 filed before the Bombay City Civil Court by The Board of Trustees of the Port of Mumbai (“**Plaintiff**”) against Mr. Tirupaty Mukku Reddy (Defendant No. 1), Dinesh



**Engineers Limited (Defendant No. 2), Mr Shrinivas Mukku Reddy (Defendant No. 3) and Mr. Srinivas Rao (“Defendant No. 4”).**

The Board of Trustees of the Port of Mumbai had filed Short Cause Suit bearing No. 100791 of 2017 dated March 4, 2017 before the Bombay City Civil Court against Defendant No. 1, Defendant No. 2, Defendant No. 3 and Defendant No. 4. The Plaintiff has filed this suit for the recovery of a sum of ₹ 7.31 million with interest upto February 28, 2017 for the loss sustained by the Plaintiff due to the fraud played by the Defendant No. 1 in collusion with and/or in connivance with the Defendant No. 2, Defendant No. 3 and Defendant No.4 inter-alia by submitting fraudulent experience certificates. The matter is currently pending.

**2. S.C.C. No. 1527/2016 filed before the Civil Court Junior Division, Vasai by Shri Alok Tripathi (“Petitioner”) against the Company (“Respondent”).**

On the basis of the records available online, it appears that Alok Tripathi, Petitioner has filed a civil suit before the Civil Court Junior Division, Vasai against the Company. However, till date, the Company has not been served in the matter. Hence, the Company is not aware of the cause of action in the matter.

**Litigation involving Tax Liabilities**

**(i) Direct Tax Liabilities**  
NIL

**(ii) Indirect Taxes Liabilities**  
NIL

**Other Pending Litigations**

**1. M.A.C.P. No. 161/2013 filed before the Motor Accident Claims Tribunal, Buldana (“MACT”).**

Smt. Radha Badrinath Sangle, Sau. Ashwini Limbaji Ghuge, Akshay Badrinath Sangle, Baburao Ganpat Sangle, Sau. Shashikala Baburao Sangle (“Applicants”) had filed M.A.C.P. No. 161/2013 dated November 11, 2013 before the MACT against the Company and the Oriental Insurance Company Limited (“Opponents”) under Section 166 of Motor Vehicle Act, 1988 for Grant of Compensation as the tractor belonging to the Company allegedly dashed the motor cycle of Badrinath Baburao Sangle which led to accidental death of Badrinath Baburao Sangle (“the deceased”). The Applicants in their claim petition dated November 11, 2013 claimed a compensation of ₹ 0.1 million. The MACT passed an ex-parte Order dated April 22, 2015 against the Company. Subsequently, the Applicants filed a separate application against the Opponents under Section 140 of the Motor Vehicles Act, 1988 for grant of compensation under in respect of no fault liability. The MACT vide Order dated July 3, 2015 inter-alia admitted the application and directed the Opponents to pay ₹ 0.05 million within 1 (one) month from the date of Order dated July 3, 2015, failing which, the Opponents will be required to pay interest @8% per annum from the date of default till full realization of the amount. The Company filed an application dated July 18, 2018 before MACT to set aside the ex-parte order dated April 22, 2015. The matter is currently pending.

**B. LITIGATION FILED BY OUR COMPANY**

**Litigation Involving Criminal matters**

**1. S.C.C./3332/2018 filed before the Court of Hon’ble Judicial Magistrate First Class Belapur at Belapur by the Company against Multicraft Digital Technologies Private Limited (“MDTPL”)**

The Company has filed a Criminal Complaint bearing No. S.C.C./3332/2018 dated August 4, 2018 against MDTPL for violation of Section 138 of Negotiable Instruments Act, 1881 read with Section 420 of the Indian Penal Code, 1860. The matter is currently pending before the Court of Hon’ble Judicial Magistrate First Class Belapur at Belapur. The Company was to be paid a total amount of ₹6.22 million as payment due towards the goods supplied to MDTPL. MDTPL had issued a cheque in favor of the Company for the sum of ₹1.1 million

towards part of such payment. However the said cheque was dishonoured and consequently the Company filed the aforesaid Criminal Complaint

**Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**Litigation Involving Civil Matters**

**1. Writ Petition 919/2014 filed before the Hon'ble Bombay High Court by the Company against Pune Municipal Corporation and Others ("Respondents").**

The Company has filed Writ Petition against Pune Municipal Corporation and others in respect of the provisions of the Maharashtra Regional Town Planning Act, 1966. The papers and proceedings pertaining to the above matter are not available in the records of the Company. The matter appears to be at the pre-admission stage as per the details available on the website of the Hon'ble Bombay High Court.

**Litigation involving Tax Liabilities**

**(i) Direct Tax Liabilities**

NIL

**(ii) Indirect Taxes Liabilities**

NIL

**Other Pending Litigations**

NIL

**LITIGATION INVOLVING OUR DIRECTORS**

**A. LITIGATION FILED AGAINST OUR DIRECTORS**

**Criminal matters**

NIL

**Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**Litigation involving Tax Liabilities**

**(i) Direct Tax Liabilities**

NIL

**(ii) Indirect Taxes Liabilities**

NIL

**Other Pending Litigations**

NIL

**B. LITIGATION FILED BY OUR DIRECTORS**

**Litigation Involving Criminal matters**

NIL

**Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**Litigation involving Tax Liabilities**

**(i) Direct Tax Liabilities**

NIL

**(ii) Indirect Taxes Liabilities**

NIL

**Other Pending Litigations**

NIL

**LITIGATION INVOLVING OUR PROMOTERS**

**A. LITIGATION FILED AGAINST OUR PROMOTERS**

**Litigation Involving Criminal matters**

NIL

**Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**Litigation involving Tax Liabilities**

**1. Direct Tax Liabilities**

NIL

**2. Indirect Taxes Liabilities**

NIL

**Other Pending Litigations**

NIL

**B. LITIGATION FILED BY OUR PROMOTERS**

**Litigation Involving Criminal matters**

NIL

**Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**Litigation involving Tax Liabilities**

**(i) Direct Tax Liabilities**

NIL

- (ii) **Indirect Taxes Liabilities**  
NIL

**Other Pending Litigations**

NIL

**LITIGATION INVOLVING OUR SUBSIDIARY**

**A. LITIGATION FILED AGAINST OUR SUBSIDIARY**

**Litigation involving Criminal matters**

NIL

**Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**Litigation involving Tax Liabilities**

- (i) **Direct Tax Liabilities**  
NIL

- (ii) **Indirect Taxes Liabilities**  
NIL

**Other Pending Litigations**

NIL

**B. LITIGATION FILED BY OUR SUBSIDIARY**

**Criminal matters**

NIL

**Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**Litigation involving Tax Liabilities**

- (i) **Direct Tax Liabilities**  
NIL

- (ii) **Indirect Taxes Liabilities**  
NIL

**Other Pending Litigations**

NIL

**LITIGATION INVOLVING OUR GROUP COMPANIES**

**A. LITIGATION FILED AGAINST OUR GROUP COMPANIES**

**Litigation involving Criminal matters**

NIL

**Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**Litigation involving Tax Liabilities**

**(i) Direct Tax Liabilities**

NIL

**(ii) Indirect Taxes Liabilities**

NIL

**Other Pending Litigations**

NIL

**B. LITIGATION FILED BY OUR GROUP COMPANIES**

**Criminal matters**

NIL

**Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**Litigation involving Tax Liabilities**

**(i) Direct Tax Liabilities**

NIL

**(ii) Indirect Taxes Liabilities**

NIL

**Other Pending Litigations**

NIL

**Litigations or legal actions, pending or taken, by any Ministry or Department of the Government or a statutory authority against our Promoters during the last 5 (five) years.**

There are no litigations or legal actions, pending or taken, by any Ministry or Department of the Government or a statutory authority against our Promoters during the last 5 (five) years.

**Pending proceedings initiated against our Company for economic offences.**

There are no pending proceedings initiated against our Company for economic offences.

**Inquiries, investigations etc. instituted under the Companies Act, 2013 or any previous companies enactment in the last 5 (five) years against our Company.**

There are no inquiries, investigations etc. instituted under the Companies Act or any previous companies enactment in the last 5 (five) years against our Company.

**Material Fraud against our Company in the last 5 (five) years.**

There has been no material fraud committed against our Company in the last 5 (five) years.

**Fines imposed or compounding of offences for default**

Except as disclosed below, there are no fines imposed or compounding of offences done in the last 5 (five) years immediately preceding the year of this Red Herring Prospectus on our Company for default or outstanding defaults:

1. The Labour Enforcement Officer (Central) passed an Order dated May 8, 2009 against the Company represented by Mr. Dinesh Kollaiah Kargal in Case No. 218/2008 under Section 47 and 48 of The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 imposing a fine of ₹0.004 million and was sentenced to suffer Simple Imprisonment of 30 (thirty) days.
2. The Labour Officer (Central) passed an Order dated January 2, 2008 against the Company represented by Mr. Dinesh Kollaiah Kargal Case No.4678/07 for offence under Rule 22 of The Minimum Wages Central Rules, 1950 punishable under Section 22-A of Minimum Wages Act, 1948 imposing a fine of ₹ 0.0008 million and sentenced to suffer Simple Imprisonment of 10 (ten) days.

**Non-Payment of Statutory Dues**

There have been no defaults or outstanding defaults in the payment of statutory dues payable by our Company as of the date of the last audited financial statements of our Company.

**Amounts owed to small scale undertakings and other creditors**

As of March 31, 2018, our Company owes the following amounts to small scale undertakings, other creditors and material creditors:

Particulars	Number of creditors	Amount Involved (in ₹ million)
Micro, Small and Medium Enterprises	-	-
Material Creditors	2	379.30
Other Creditors	196	987.96
<b>Total</b>	<b>198</b>	<b>1367.26</b>

Further, our Company has not received any intimation from creditors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Details in relation to the amount owed by our Company to material creditors, small scale undertakings and other creditors as on March 31, 2018 are also available on website [www.depl.co.in](http://www.depl.co.in).

*It is clarified that information provided on the website of our Company is not a part of this Red Herring Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website, would be doing so at its own risk.*

**Material developments occurring after last balance sheet date**

Except as disclosed elsewhere in the Red Herring Prospectus, there have been no material developments that have occurred after the last Balance Sheet Date.

## 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/proposed 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 the 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 the Company and the objects incidental, enable our Company to carry out its activities.*

### I. Approvals for the Issue

1. The Board of Directors have, pursuant to Section 62(1)(c) and other applicable provisions of the Companies Act 2013, by a resolution passed at its meeting of Board of Directors held on February 21, 2018 authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of our Company have, pursuant to Sections 62(1)(c) and other applicable provisions of the Companies Act, 2013, by a special resolution passed in the Extra-ordinary General Meeting held on March 19, 2018.
3. In-principle approval dated May 02, 2018 from BSE for listing of the Equity Shares issued by our Company pursuant to the Issue.
4. In-principle approval dated June 11, 2018 from NSE for listing of the Equity Shares issued by our Company pursuant to the Issue.
5. Our Company's International Securities Identification Number ("ISIN") INE702Z01010.

### II. Approvals pertaining to Incorporation, name and constitution.

1. Our Company has obtained Certificate of Incorporation dated February 17, 2006 issued by the Assistant Registrar of Companies, Maharashtra, Mumbai ("RoC") in the name of Dinesh Engineers Private Limited.
2. The Corporate Identity Number (CIN) of the Company is U31200MH2006PLC159570.
3. Our Subsidiary Company has obtained Certificate of Incorporation dated April 12, 2017 issued by the Deputy Registrar of Companies, Mumbai in the name of Dataexpress Private Limited
4. The Corporate Identity Number (CIN) of the Subsidiary Company is U64203MH2017PTC293759.

### III. GENERAL APPROVALS

1. Our Company has obtained ISO 14001:2015 dated February 22, 2018 bearing No. 18IEBF27 for the scope of providing services of building its own IP-I (Infrastructure Provider-I) network across India, laying underground optical fibre cable network and functioning as a telecom infrastructure service provider, to sale or lease the optical fibre cable/HDPE (High Density Polyethylene) Duct as a vendor in the telecommunication sector, material management, project management & construction for city gas distribution network and natural gas industries across India. This Certificate is valid up to February 21, 2021.
2. Our Company has obtained ISO 9001:2015 dated February 22, 2018 bearing No. 18IQBN33 for the scope of providing services of building its own IP-I (Infrastructure Provider-I) network across India, laying underground optical fibre cable network and functioning as a telecom infrastructure service provider, to sale

or lease the optical fibre cable/HDPE (High Density Polyethylene) Duct, as a vendor in the telecommunication sector, material management, project management & construction for city gas distribution network and natural gas industries across India. This Certificate is valid up to February 21, 2021.

3. Our Company has obtained OHSAS 18001:2007 dated February 22, 2018 bearing No. 18IOBL33 for the scope of providing services of building its own IP-I (Infrastructure Provider-I) network across India, laying underground optical fibre cable network and functioning as a telecom infrastructure service provider, to sale or lease the optical fibre cable/HDPE (High Density Polyethylene) Duct, as a vendor in the telecommunication sector, material management, project management & construction for city gas distribution network and natural gas industries across India. This Certificate is valid up to February 21, 2021.
4. Our Company has obtained the Certificate of Importer- Exporter Code dated December 4, 2015 bearing No. 0315058951 issued by the Foreign Trade Development Officer, Mumbai.
5. Our Company has obtained the Certificate for Infrastructure Provider Category-I (IP-1) dated September 19, 2008 bearing no. 222/2008 issued by the Director, Department of Telecom, New Delhi.
6. Our Company obtains on a need basis, right of way permissions from various local and state bodies for laying of ducts and optic fibre cables.
7. Our Subsidiary Company has obtained Unified License –ISP Category ‘A’ Authorization for All India Service Area dated September 12, 2017 bearing no. DS-11/294/2017-DS-III issued by the Assistant Director General, Data Services Cell.
8. Our Subsidiary Company has obtained Certificate of Registration of Infrastructure Service Provider-I (IP-1) dated October 12, 2017 bearing no. 789/2017 issued by the Assistant Director General, Data Services Cell.

#### IV. ENVIRONMENT RELATED APPROVALS

1. Our Company has obtained the consent to operate under Section 26 of the Water (Prevention and Control of Pollution) Act, 1974, Section 21 of the Air (Prevention and Control of Pollution) Act, 1981 and authorization under Rule 5 of the Hazardous Wastes (Management, Handling & Transboundary Movement) Rules, 2008 from Maharashtra Pollution Control Board vide Consent No. MPCB/14/10291 dated November 11, 2014 for the Manufacture of Grills, Frames and Covers at Plot No. D-222/37, TTC, MIDC, Navi Mumbai- 400705. The said consent was valid until September 30, 2023.

#### V. TAX RELATED APPROVALS

##### A. Approvals obtained by the Company

Sr. no.	Description	Authority	Registration number	Date of Issue	Date of Expiry
1.	Permanent Account Number (PAN)	Income Tax Department, Government of India	AACCD3117C	February 7, 2006	Valid until cancelled
2.	Tax Deduction Account Number (TAN)	Income Tax Department, Government of India	MUMD13503A	February 23, 2006	Valid until cancelled
3.	Certificate of Registration issued under Service Tax Code Registration	Central Excise Officer	AACCD3117CST001	<i>Date of Issue of Original ST-2 : 06/07/2007</i>  <i>Date of Last</i>	Valid until cancelled



				<i>Amendment of ST-2 : 05/06/2017</i>	
4.	Certificate of Registration under the Maharashtra Tax on Professions, Trades, Callings and Employments Act, 1975	Profession Tax Officer, Navi Mumbai	27020535862P	March 15, 2013	Valid until cancelled
5..	Certificate of Registration under The Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975	Sales Tax Officer, Thane Division Thane	1/2/12/13	February 26, 2006	Valid until cancelled
6.	Certificate of Registration under Karnataka State Tax on Professions, Trades, Callings and Employments Act, 1976	Profession Tax Officer, Sagar	361593240	August 10, 2013	Valid until cancelled
5.	Certificate of GST Registration, Bihar	Government of India	GSTIN-10AACCD3117C1ZO	September 26, 2017	Valid until cancelled
6.	Certificate of Provisional GST Registration, Andhra Pradesh	Government of India, Government of Andhra Pradesh	GSTIN-37AACCD3117C1Z8	June 28, 2017	Valid until cancelled
7.	Certificate of Provisional GST Registration, Chhattisgarh	Government of India, Government of Chhattisgarh	GSTIN-22AACCD3117C1ZJ	July 26, 2017	Valid until cancelled
8.	Certificate of Provisional GST Registration, Karnataka	Government of India, Government of Karnataka	GSTIN-29AACCD3117C1Z5	June 26, 2017	Valid until cancelled
9.	Certificate of Provisional GST Registration, Maharashtra	Government of India, Government of Maharashtra	GSTIN-27AACCD3117C1Z9	June 28, 2017	Valid until cancelled
10.	Certificate of Provisional GST Registration, Rajasthan	Government of India, Government of Rajasthan	GSTIN-08AACCD3117C1Z9	June 28, 2017	Valid until cancelled
11.	Certificate of Provisional GST Registration, Telangana	Government of India, Government of Telangana	GSTIN-36AACCD3117C1ZA	June 28, 2017	Valid until cancelled
12.	Certificate of Provisional GST Registration, Goa	Government of India, Government of	GSTIN-30AACCD3117C1ZM	July 26, 2017	Valid until cancelled

		Goa			
13.	Certificate of Provisional GST Registration, Gujarat	Government of India, Government of Gujarat	GSTIN-24AACCD3117C1ZF	July 6, 2017	Valid until cancelled

**B. Approvals obtained by the Subsidiary**

Sr. no.	Description	Authority	Registration number	Date of Issue	Date of Expiry
1.	Permanent Account Number (PAN)	Income Tax Department, Government of India	AAGCD1274J	April 12, 2017	Valid until cancelled
2.	Tax Deduction Account Number (TAN)	Income Tax Department, Government of India	MUMD24318A	April 17, 2017	Valid until cancelled
3.	Certificate of GST Registration, Maharashtra	Government of India	GSTIN-27AAGCD1274J1ZK	October 3, 2017	Valid until cancelled
4.	Certificate of GST Registration, Telangana	Government of India	GSTIN-36AAGCD1274J1ZL	September 9, 2017	Valid until cancelled

**VI. LABOUR RELATED APPROVALS****A. Approvals obtained by the Company**

Sr. no.	Description	Authority	Registration number	Date of Issue	Date of Expiry
1.	Registration under the Shops and Establishments Act, 1948 for DEPL House, Neighbourhood Shopping Complex, Sector- 4, Nerul, Navi Mumbai-400706.	Commissioner of Labour	1610200310100163	January 8, 2016	Valid until 2019
2.	Registration under the Shops and Establishments Act, 1948 for Flat No. 401, 4th Floor, HIG 18, Sri Towers, Plot	Assistant Commissioner of Labour II, Telangana	SEA/HYD/ACL/A2/91331/2018	April 30, 2018	December 31, 2018

	No. 36 Road No. 1, KPHB Colony, Kukatpally, Hyderabad, Circle 21.				
3.	Registration under Andhra Shops and Establishments Act 1988 for Door No: 7B- 15-9, Eastern Street Eluru, Eluru (R) Village, Eluru Mandal, West Godavari District, Pincode - 534001	Registering/Licensin g Officer	AP-05-23-006-0677027	September 6, 2018	March 31, 2020
4.	Registration under the Employees Provident Fund and Miscellaneous Provisions Act, 1952.	Regional Provident Fund Commissioner, Maharashtra	No. MH./VASHI/11652/1552	February 15, 2006	Valid until cancelled
5.	Registration under the Employee State Insurance Act, 1948.	Employee State Insurance Corporation, Mumbai	Code No. 34/2596/101	February 15, 2006	Valid until cancelled

#### B. Project Specific Labour Approvals obtained by the Company


1. Our Company has obtained License dated December 13, 2017 bearing License No. JU(L)/(181)/2017-ALC for Installation of Optical Fiber Cable at Barmer & Jaisalmer” under the Contract Labour (Regulation and Abolition) Act, 1970 issued by the Office of the Dy. Chief Labour Commissioner (Central), Jodhpur, Ministry of Labour & Employment. The Company shall not employ more than 100 (Hundred) contract labourers on any day. The License is valid upto December 12, 2018.
2. Our Company has obtained License dated May 2, 2017 bearing License No. RV-57(R) No.43/2017 for the work of “NLD Phase 4c Span (Goa): Cancona-KK Border, Goa Dharbandora-KK Border, Kankumbi- Sanquelim, Margao- Cancona, Marmagoa- Margao, Panaji- Marmago, Senquelim-Marmagoa” under the Building and Other Construction Workers (Regulation of Employment and Condition of Service) Act, 1996 and Building and Other Construction Workers (Regulation of Employment and Condition of Service) Central Rules, 1998 issued by the Regional Labour Commissioner. The Company shall not employ more than 30 (Thirty) contract labourers on any day.

#### C. Approvals obtained by the Subsidiary

Sr. no.	Description	Authority	Registration number	Date of Issue	Date of Expiry
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1.	Registration under the Shops and Establishments Act, 1948	Commissioner of Labour	1710200311338608	September 25, 2017	Valid until cancelled
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## VII. INTELLECTUAL PROPERTY RELATED APPROVALS

Sr. no.	Description	Applicant	Application No.	Date of Application	Status	Trade Mark
1.	Application for registration of trade mark under the Trade Marks Act, 1999.	The Company	Application No. 3756659 in Class 37	February 17, 2018	Registered vide certificate no. 1947413 valid till February 16, 2028.	 Dinesh Engineers Limited Infrastructure Provider (IPV)

## VIII. APPROVALS NOT APPLIED BY OUR COMPANY

- Registration and licenses under the Contract Labour (Regulation and Abolition) Act, 1970 to act as a principal employer and contractor, respectively, as applicable, in respect for the various projects under taken by the Company.
- Registration under the relevant shops and establishment legislation in respect of:
  - the branch office at Plot 234 A, Padmavati Colony-A, Gali No. 3, Kings Road, behind Om hotel, Nirman nagar, Jaipur, Rajasthan under Rajasthan Shops and Establishments Act, 1958
  - the branch office at House No. 632/MIG-II, (M.C.K. House No. 15-25-632), Plinth area of 694.50 sq. feet of R.C.C. Land admeasuring 311.11 sq. yards or 260.12 sq. metres, situated at KPHB Colony, under GHMC Kukatpally Circle, Ranga Reddy District, Telangana State under Telangana Shops and Establishments Act, 1988.
  - the branch office at 04, Abhijaat Parisar, near Abhinav Homes, Ayodhya bypass, Bhopal Madhya Pradesh- 462041 under Madhya Pradesh Shops and Establishments Act, 1958
  - the branch office at Albert Classic Apartment, H. No 201, Second Floor, Filomena Housing Colony, Alto Santa Cruz- Goa under the Goa, Daman and Diu Shops and Establishments Act, 1973
- Registration under the Building and Other Construction Workers (Regulation of Employment and Condition of Service) Act, 1996 in respect of the projects undertaken by our Company.

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Issue

Our Board has, pursuant to its resolution dated February 21, 2018, authorized the Issue, subject to the approval of the Equity Shareholders of our Company under Section 62(1) (c) of the Companies Act 2013 and our Equity Shareholders have, pursuant to a resolution dated March 19, 2018, under Section 62(1)(c) of the Companies Act, authorized the Issue.

Our Company has received in-principle approvals from BSE and NSE for the listing of our Equity Shares pursuant to letters dated May 02, 2018 and June 11, 2018 respectively.

### Prohibition by the SEBI or Governmental Authorities

Our Company, our Promoters, members of our Promoter Group, our Directors, Group Companies and persons in control of our Company are or have not been prohibited from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by the SEBI or any other governmental authorities.

The companies, with which our Promoters, Directors or persons in control of our Company are or were associated as promoters, directors or persons in control have not been prohibited from accessing the capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

None of our Directors are associated with the securities market in any manner. There has been no action taken by SEBI against our Directors or any of the entities in which our Directors are involved in as promoters or directors.

### Prohibition by RBI

Neither our Company, nor our Promoters, the members of our Promoter group, Directors, the Group companies have been identified as Willful Defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.

### Eligibility for the Issue

Our Company is eligible for the Issue in accordance with Regulation 26(1) of the SEBI ICDR Regulations, as explained under the eligibility criteria calculated in accordance with the Restated Financial Statements prepared in accordance with the Companies Act and restated in accordance with the SEBI ICDR Regulations:

- Our Company has net tangible assets of at least ₹ 30 million in each of the preceding three full years (of 12 months each), of which not more than 50% of the net tangible assets are held in monetary assets;
- Our Company has a minimum average pre-tax operating profit of ₹ 150 million, calculated on a restated and consolidated basis during the three most profitable years out of the immediately preceding five years;
- Our Company has a net worth of at least ₹ 10 million in each of the three preceding full years (of 12 months each);
- The aggregate size of the proposed Issue and all previous issues made in the same financial year is not expected to exceed five times the pre-Issue net worth of our Company as per the audited balance sheet of the preceding financial year; and
- Our Company has not changed its name during the last one year.

Our Company's pre-tax operating profit, net worth and net tangible assets derived from the Consolidated Financial Information, as restated and Standalone Financial Information, as restated included in this Red Herring Prospectus as at, and for the last three years ended, March 31 are set forth below:

(₹ in million, except as indicated)

Particular	Financial Year ended March 31, 2018		Financial Year ended March 31, 2017		Financial Year ended March 31, 2016	
	Consolidated	Standalone	Consolidated	Standalone	Consolidated	Standalone
Net Tangible assets <sup>(1)</sup>	1088.53	1090.83	467.14	467.64	294.26	294.76
Monetary assets <sup>(2)</sup>	100.38	99.23	181.40	181.40	40.33	40.33
Monetary assets as a % of Net Tangible assets	9.22	9.10	38.83	38.79	13.70	13.68
Net worth <sup>(3)</sup>	1079.85	1081.32	461.50	462.00	289.82	290.32
Pre-tax operating profits <sup>(4)</sup>	966.70	967.29	359.40	359.40	215.64	215.64

(1) 'Net tangible assets' means the sum of all net assets of the Company excluding intangible assets as defined in Accounting Standard 26 issued by Institute of Chartered Accountants of India.

(2) 'Monetary Assets' comprise of cash and bank balances public deposit accounts with the Government.

(3) 'Net worth' means 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 statement of profit and loss.

(4) Pre-tax operating profits'comprise of profit from operations before other income, and exceptional items in accordance with Regulation 33(1)(a) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Fiscals 2018, 2017 and 2016 are the three most profitable years out of the immediately preceding five Fiscals in terms of our restated financial information.

Hence, we are eligible for the Issue as per Regulation 26(1) of the SEBI ICDR Regulations. Further, in accordance with Regulation 26(4) of the SEBI ICDR Regulations, the Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted shall not be less than 1,000, failing which the entire application monies shall be refunded forthwith. If our Company does not Allot Equity Shares pursuant to the Issue within six Working Days from the Bid/Issue Closing Date or within such timeline as prescribed by the SEBI, it shall repay without interest all monies received from Bidders, failing which interest shall be due to be paid to the Applicants at the rate of 15% per annum for the delayed period.

The Company is in compliance with conditions specified in Regulation 4(2) of the SEBI ICDR Regulations to the extent applicable.

- Our Company, our Directors, our Promoters, our Promoter Group and the companies with which our Directors are associated as directors or promoters or persons in control have not been prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI;
- Our Company has applied to the BSE and the NSE for obtaining their in-principle approval for listing of the Equity Shares under this Issue and has received the in-principle approvals from the BSE and the NSE pursuant to their letters dated May 02, 2018 and June 11, 2018, respectively. For the purposes of this Issue, the National Stock Exchange of India Limited shall be the Designated Stock Exchange;
- Our Company has entered into tripartite agreement dated March 23, 2018 with NSDL and Link Intime India Private Limited for dematerialization of the Equity Shares;

- d) Our Company has entered into tripartite agreement dated March 15, 2018 with CDSL and Link Intime India Private Limited, for dematerialization of the Equity Shares; and
- e) The Equity Shares are fully paid and there are no partly paid-up Equity Shares as on the date of filing this Red Herring Prospectus.
- f) We confirm that there is no requirement for us to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Fresh Issue.

#### **DISCLAIMER CLAUSE OF THE SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO THE SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY THE SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER, BEING HEM SECURITIES LIMITED, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS 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 FORMAKING AN INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, BEING HEM SECURITIES LIMITED, HAVE FURNISHED TO THE SEBI A DUE DILIGENCE CERTIFICATE DATED MARCH 28, 2018 WHICH READS AS FOLLOWS:**

**WE, THE BOOK RUNNING LEAD MANAGER TO THE ABOVEMENTIONED FORTHCOMING ISSUE, STATE AND CONFIRM AS FOLLOWS:**

- 1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION SUCH AS COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE DRAFT RED HERRING PROSPECTUS PERTAINING TO THE SAID ISSUE;**
- 2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS, CHIEF FINANCIAL OFFICER 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 COMPANY, WE CONFIRM THAT:**
  - a. THE DRAFT RED HERRING PROSPECTUS FILED WITH THE SEBI IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**
  - b. ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS, GUIDELINES, INSTRUCTIONS ETC., FRAMED/ISSUED BY THE SEBI, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**



- c. THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL-INFORMED DECISION AS TO INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.
3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH THE SEBI AND TILL THAT DATE SUCH REGISTRATION IS VALID;
4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS – NOTED FOR COMPLIANCE;
5. WE CERTIFY THAT WRITTEN CONSENT FROM THE PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR EQUITY SHARES AS PART OF THE PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE EQUITY SHARES PROPOSED TO FORM PART OF THE PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED/ SOLD/ TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT RED HERRING PROSPECTUS WITH THE SEBI UNTIL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT RED HERRING PROSPECTUS;
6. WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO EQUITY SHARES INELIGIBLE FOR COMPUTATION OF PROMOTERS' CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS -COMPLIED WITH AND NOTED FOR COMPLIANCE;
7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE PROMOTERS' CONTRIBUTION WILL BE KEPT IN AN ESCROW ACCOUNT OPENED WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE – NOT APPLICABLE;
8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE COMPANY AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION- COMPLIED WITH;
9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED



IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE COMPANY SPECIFICALLY CONTAINS THIS CONDITION – NOTED FOR COMPLIANCE;

10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE – NOT APPLICABLE. UNDER SECTION 29 OF THE COMPANIES ACT 2013, EQUITY SHARES IN THE ISSUE WILL BE ISSUED IN DEMATERIALISED FORM ONLY;
11. WE CERTIFY THAT ALL APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION;
12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS-COMPLIED WITH
  - a. AN UNDERTAKING FROM THE COMPANY THAT AT ANY GIVEN TIME THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY; AND
  - b. AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE SEBI FROM TIME TO TIME.
13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE - NOTED FOR COMPLIANCE;
14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE COMPANY, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS' EXPERIENCE, ETC-COMPLIED WITH;
15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY-COMPLIED WITH;
16. WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY THE GLOBAL COORDINATORS AND BOOK RUNNING LEAD MANAGER (WHO ARE RESPONSIBLE FOR PRICING THIS ISSUE)', AS PER FORMAT SPECIFIED BY THE SEBI THROUGH CIRCULAR -COMPLIED WITH;
17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS – COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED IN ACCORDANCE WITH ACCOUNTING STANDARD 18 IN THE FINANCIAL STATEMENTS OF THE COMPANY INCLUDED IN THE DRAFT RED HERRING PROSPECTUS;
18. WE CERTIFY THAT THE ENTITY IS ELIGIBLE UNDER 106 Y(1) (A) OR (B) (AS THE CASE MAY BE) TO LIST ON THE INSTITUTIONAL TRADING PLATFORM, UNDER CHAPTER XC OF THE

**SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009. (IF APPLICABLE). – NOT APPLICABLE.**

The filing of the Red Herring Prospectus does not, however, absolve the Company from any liabilities under Section 34 or Section 36 of the Companies Act 2013 or from the requirement of obtaining such statutory 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 BRLM, any irregularities or lapses in the Red Herring Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of filing of the Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act, 2013. All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the RoC in terms of Sections 26, 30 and 32 of the Companies Act, 2013.

**Statement on Price Information of Past Issues handled by Hem Securities Limited:**

Sr. No.	Issue name	Issue size (Rs in Cr.)	Issue Price (Rs.)	Listing date	Opening Price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing
1.	Share India Securities Limited	26.37	41.00	October 05, 2017	44.75	49.27% [6.30%]	112.32% [6.97%]	158.54% [5.36%]
2.	RKEC Projects Limited	28.70	45.00	October 09, 2017	54.00	202.22% [3.15%]	281.78% [6.36%]	195.56% [3.91%]
3.	D.P. Abhushan Limited	16.61	28.00	October 23, 2017	33.60	92.86% [1.55%]	162.50% [7.67%]	150% [3.93%]
4.	ANI Integrated Services Limited	25.656	100.00	November 20, 2017	120.00	67.00% [1.41%]	21% [0.77%]	12% [2.12%]
5.	Dynamic Cables Limited	23.376	40.00	December 14, 2017	48.00	63.13% [4.80%]	25% [1.77%]	0% [7.36%]
6.	Vasa Retail and Overseas Limited	4.8	30.00	February 06, 2018	36.00	104.33% [-2.43]	70% [-2.06%]	40% [8.47%]
7.	Hindcon Chemicals Limited	7.728	28.00	March 09, 2018	33.60	-6.61% [1.49%]	-8.93% [5.29%]	-28.57% [12.22%]
8.	Tara Chand Logistic Solutions Limited	20.46	55.00	March 23, 2018	49.00	-12.73% [-5.87%]	-16.67% [7.43%]	-
9.	Dhruv Consultancy Services Limited	23.1984	54.00	May 10, 2018	53.40	-0.19% [0.67%]	-12.58% [6.77%]	-
10.	Sonam Clock	10.1088	36.00	June 14,	37.00	2.50%	-	-

Limited		2018	[1.18%]	
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Source: Price Information [www.bseindia.com](http://www.bseindia.com) & [www.nseindia.com](http://www.nseindia.com), Issue Information from respective Prospectus.

#### Summary statement of Disclosure:

Financial Year	Total no. of IPOs	Total amount of funds raised (Rs. Cr.)	No. of IPOs trading at discount- 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at Premium- 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at discount- 180 <sup>th</sup> calendar days from listing			No. of IPOs trading at Premium- 180 <sup>th</sup> calendar days from listing		
			Over 50 %	Between 25-50 %	Less than 25 %	Over 50 %	Between 25-50 %	Less than 25 %	Over 50 %	Between 25-50 %	Less than 25 %	Over 50 %	Between 25-50 %	Less than 25 %
2013-14	3 <sup>(1)</sup>	10.66	-	-	1	1	1	-	-	-	-	2	-	1
2014-15	7 <sup>(2)</sup>	38.25	-	-	-	2	-	5	-	-	-	3	-	4
2015-16	8 <sup>(3)</sup>	34.20	-	-	1	2	2	3	-	-	-	3	1	4
2016-17	12 <sup>(4)</sup>	99.90	-	-	2	3	3	4	-	-	3	3	2	4
2017-18	16 <sup>(5)</sup>	234.21	-	1	4	6	2	3	-	1	3	5	3	3
2018-19	2 <sup>(6)</sup>	33.3072	-	-	2	-	-	-	-	-	-	-	-	-

(1) The scrips of Samruddhi Realty Limited, Captain Polyplast Limited and Tentiwal Wire Products Limited were listed on April 12, 2013, December 11, 2013 and December 31, 2013 respectively.

(2) The scrips of R&B Denims Limited, Bansal Roofing Products Limited, Atishay Infotech Limited, Dhabriya Polywood Limited, Vibrant Global Capital Limited, ADCC Infocad Limited and Captain Pipes Limited were listed on April 22, 2014, July 14, 2014, October 16, 2014, October 17, 2014, October 21, 2014, October 22, 2014, and December 11, 2014 respectively.

(3) The scrips of O.P. Chains Limited, Junction Fabrics and Apparels Limited, Loyal Equipments Limited, Emkay Taps & Cutting Tools Limited, Universal Autofoundry Limited, Bella Casa Fashion and Retail Limited, Vishal Bearings Limited and Cawasji Behramji Catering Services Limited were listed on April 22, 2015, July 10, 2015, July 16, 2015, August 13, 2015, September 4, 2015, October 15, 2015, October 15, 2015 and October 19, 2015 respectively.

(4) The scrips of Raghav Ramming Mass Limited, Advance Syntex Limited, Madhya Bharat Agro Products Limited, Aurangabad Distillery Limited, Pansari Developers Limited, Dhanuka Realty Limited, Globe International Carriers Limited, Art Nirman Limited, Krishana Phoschem Limited, Global Education Limited, RMC Switchgears Limited and Laxmi Cotspin Limited were listed on April 13, 2016, July 12, 2016, September 16, 2016, October 17, 2016, October 18th, 2016, October 18th, 2016, October 19th, 2016, October 19th, 2016, February 27, 2017, March 02, 2017, March 14, 2017 and March 31, 2017 respectively.

(5) The Scrips of Dev Information Technology Limited, Vadivarhe Speciality Chemicals Limited, Globe Textiles (India) Limited, Accord Synergy Limited, Captain Technocast Limited, Shanti Overseas (India) Limited, Surevin BPO Services Limited, Pashupati Cotspin Limited, Share India Securities Limited, RKEC Projects Limited, D. P. Abhushan Limited, ANI Integrated Services Limited, Dynamic Cables Limited, Vasa Retail and Overseas Limited, Hindcon Chemicals Limited and Tara Chand Logistic Solutions Limited was listed on April 17, 2017, June 02, 2017, June 23, 2017, July 06, 2017, August 01, 2017, August 03, 2017, August 09, 2017, September 08, 2017, October 05, 2017, October 09, 2017, October 23, 2017, November 20, 2017, December 14, 2017, February 06, 2018, March 09, 2018 and March 23, 2018 respectively. Further, the Scrips of Tara Chand Logistic Solutions Limited has not completed 180th days from the date of its listing.

(6) The scrip of Dhruv Consultancy Services Limited and Sonam Clock Limited was listed on May 10, 2018 on June 14, 2018 respectively and Sonam Clock Limited has completed its 90<sup>th</sup> day from the date of its listing.

**Note:**

- a) Based on date of listing.
- b) BSE SENSEX and CNX NIFTY has been considered as the benchmark index.
- c) Prices on BSE/NSE are considered for all of the above calculations.
- d) In case 30<sup>th</sup> /90<sup>th</sup> /180<sup>th</sup> day is not a trading day, closing price on BSE/NSE of the next trading day has been considered.
- e) In case 30<sup>th</sup> /90<sup>th</sup> /180<sup>th</sup> day, scrips are not traded then last trading price has been considered.
- f) N.A. – Period not completed.
- g) As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect max. 10 issues (initial public offerings managed by the Book Running Lead Manager. Hence, disclosures pertaining to recent 10 issues handled by Book Running Lead Manager are provided.

**Track records of past issues handled by the BRLM**

For details regarding the track record of the BRLM, as specified under Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer to the websites of the BRLM i.e. [www.hemsecurities.com](http://www.hemsecurities.com).

**Caution – Disclaimer from our Company, our Directors and the BRLM**

Our Company, our Directors and the BRLM accept no responsibility for statements made otherwise than in this Red Herring Prospectus or in the advertisements or any other material issued by or at our instance and anyone placing reliance on any other source of information, including our website, [www.depl.co.in](http://www.depl.co.in), would be doing so at his or her own risk.

The BRLM accepts no responsibility, save to the limited extent as provided in the Issue Agreement entered into amongst the BRLM and our Company dated March 26, 2018, and the Underwriting Agreement to be entered into amongst the Underwriters and our Company.

All information shall be made available by our Company and the BRLM to the Bidders and public 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 bidding centres or elsewhere. Neither our Company nor any member of the Syndicate shall be liable to the Bidders for any failure in uploading the Bids, due to faults in any software or hardware system, or otherwise.

Investors who Bid in the Issue will be required to confirm, and will be deemed to have represented to our Company, 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 the Equity Shares, and will not issue, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. 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 Equity Shares.

The BRLM and their respective associates and affiliates may engage in transactions with, and perform services for our Company and our respective group companies, affiliates and associates or third parties in the ordinary course of business, and have engaged, or may in the future engage in commercial banking and investment banking transactions with our Company or our respective affiliates, associates or third parties for which they have received, and may in future receive compensation.

**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 competent to contract under the Indian Contract Act, 1872), HUFs, companies, other corporate bodies and societies

registered under the applicable laws in India and authorized to invest in equity shares, Indian Mutual Funds registered with the SEBI, Indian financial institutions, commercial banks, regional rural banks, cooperative banks (subject to permission from the RBI), or trusts under the applicable trust laws, and who are authorized under their constitution to hold and invest in equity shares, public financial institutions as specified under Section 2(72) of the Companies Act 2013, venture capital funds, permitted insurance companies and pension funds and, to permitted non-residents including Eligible Non Resident Indians (“NRIs”), Alternative Investment Funds (“AIFs”), Foreign Portfolio Investors registered with SEBI (“FPIs”) and QIBs. This Red Herring Prospectus does not, however, constitute an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) at Mumbai, Maharashtra, India only.

No action has been, or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the Red Herring Prospectus has been filed with SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Red Herring Prospectus, nor any issue hereunder, shall, under any circumstances, create any implication that there has been no change in our affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act of, 1933 as amended (“the U.S. Securities Act”) or the securities laws of any state of the United States, and may not be offered or sold within the United States, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

Bidders are advised to ensure that any single bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law.

#### **Disclaimer Clause of the BSE**

As required, a copy of this Red Herring Prospectus shall be submitted to the BSE. The disclaimer clause as intimated by the BSE to our Company is listed below:

"BSE Limited ("the Exchange") has given vide its letter dated May 02, 2018 permission to this Company to use the Exchange's name in this offer document as one of the stock exchanges on which this company's securities are proposed to be listed. The Exchange has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner: -

- a. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- b. warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or
- c. take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;

and it should not for any reason be deemed or construed that this offer document has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such

subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever".

### **Disclaimer Clause of the NSE**

As required, a copy of this Red Herring Prospectus shall be submitted to the NSE. The disclaimer clause as intimated by the NSE to our Company is listed below:

"As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/88 dated June 11, 2018 permission to the Issuer to use the Exchange's name in this Offer Document as one of the stock exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever."

### **Filing**

A copy of this Draft Red Herring Prospectus has been filed with the SEBI at Plot No.C4-A, 'G' Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400051, Maharashtra, India.

A copy of the Red Herring Prospectus, along with the documents required to be filed, will be delivered for registration to the RoC in accordance with Section 32 of the Companies Act 2013, and a copy of the Prospectus required to be filed under Section 26 of the Companies Act 2013 will be delivered for registration to the RoC situated at the address mentioned below.

*The Registrar of Companies, Maharashtra, Mumbai*  
Everest, 5<sup>th</sup> Floor,  
100, Marine Drive  
Mumbai- 400002.

### **Listing**

Application will be made to the BSE and the NSE for permission to deal in and for an official quotation of our Equity Shares. Our existing Equity Shares are not listed on any Stock Exchanges in India.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the Bidders in reliance on the Red Herring Prospectus. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges are taken within six Working Days of the Bid/Issue Closing Date. If our Company does not Allot Equity Shares pursuant to the Issue within 6 (six) Working Days from the Bid/Issue Closing Date or within such timeline as prescribed by the SEBI, it shall repay without interest all monies received from bidders, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period.

### **Impersonation**



Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act 2013, which is reproduced below:

“Any person who –

- a) *makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or*
- b) *makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- c) *otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447.”*

The liability prescribed under Section 447 of the Companies Act 2013 includes imprisonment for a term of not less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

### Consents

Consents in writing of (a) our Directors, the Company Secretary and Compliance Officer, the Auditors, the legal counsels, the Bankers to our Company, the Bankers to the Issue, lenders (where such consent is required), industry sources; and (b) the BRLM, the Syndicate Members and the Registrar to the Issue to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus with the RoC and such consents shall not be withdrawn up to the time of delivery of the Red Herring Prospectus and the Prospectus with the RoC.

Our Company has received written consent from, Nair and Nair Associates, Chartered Accountants, to include its name as “expert” as defined under Section 2(38) of the Companies Act 2013 in respect of the reports of the Auditor and the statement of tax benefits dated March 16, 2018 included in this Red Herring Prospectus.

Our Company has received written consent from, Mansaka Ravi & Associates, Chartered Accountants, to include its name in respect of the reports of the Auditor on the *Consolidated Restated Financial Statements and Standalone Restated Financial Statements* dated September 05, 2018 included in this Red Herring Prospectus and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

Our Company has received written consent from CARE Advisory dated March 27, 2018, in relation to the report titled “Research Report on Telecom Sector and Allied Sector by Care Advisory”, to include their names in this Red Herring Prospectus.

### Expert Opinion

Except for the report of our Auditor on the Consolidated Restated Financial Statements and Standalone Restated Financial Statements and the statement of tax benefits included in this Red Herring Prospectus, beginning on pages 159 and 98 respectively, our Company has not obtained any expert opinion.

### Issue Related Expenses

The total expenses of the Issue are estimated to be approximately ₹ [●] million. The expenses of this Issue include, among others, fees payable to the BRLM, underwriting fees, selling commission, legal fees, fees to the Registrar to the Issues, Bankers to the Issue including processing fee to the SCSBs for processing ASBA forms submitted by ASBA Bidders procured by the Syndicate and submitted to SCSBs, brokerage and selling commission payable to Registered Brokers, RTAs and CDPs, printing and stationary expenses, issue related advertisement and publicity expenses and listing fees. The estimated Issue expenses are as follows:

(₹ in million)

Activity	Estimated	As a % of the	As a % of the total
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	expenses*	total estimated Issue expenses	Issue size
Fees payable to the Book Running Lead Manager	[•]	[•]	[•]
Printing and stationary expenses	[•]	[•]	[•]
Advertising and marketing expenses	[•]	[•]	[•]
Fees payable to the Registrar to the Issue	[•]	[•]	[•]
Brokerage and selling commission payable to Registrar to the Issue	[•]	[•]	[•]
Brokerage and selling commission payable to Syndicate	[•]	[•]	[•]
Brokerage and selling commission payable to Registered Brokers	[•]	[•]	[•]
Brokerage and selling commission payable to Depository Participants	[•]	[•]	[•]
Selling commission and processing fees for SCSBs **	[•]	[•]	[•]
Selling commission and bidding charges for Members of the Syndicate, Registered Brokers, RTAs and CDPs Others (listing fees, legal fees, SEBI, BSE and NSE processing fees, auditor's fees, etc.)	[•]	[•]	[•]
<b>Total estimated Issue expenses</b>	[•]	[•]	[•]

\*To be completed after finalisation of the Issue Price.

\*\*SCSBs will be entitled to a processing fee of Rs. 10.00/- (plus applicable taxes) per Application Form for processing of the Application Forms procured by other Application Collecting Intermediary and submitted to them subject to total processing fees to SCSBs being maximum of Rs 1.00 million (plus applicable GST). Selling commission payable to Registered broker, SCSBs, RTAs, CDPs on the portion directly procured from Retail Individual Applicants and Non Institutional Applicants, would be 0.35% and 0.20% respectively on the Allotment Amount on the Applications wherein shares are allotted. Further, the Members of Syndicate, RTAs and CDPs will be entitled to bidding charges of ₹ 20.00 (plus applicable service tax) per valid ASBA Form. The total bidding charges payable to Members of Syndicate, brokers, RTAs and CDPs will be subject to a maximum cap of Rs 2.00 million (plus applicable GST). In case the total bidding charges payable to Members of Syndicate, brokers, RTAs and CDPs exceeds Rs 2.00 million, then the amount payable to Members of Syndicate, brokers, RTAs and CDPs would be proportionately distributed based on the number of valid applications such that the total bidding charges payable does not exceed Rs 2.00 million. The terminal from which the Bid has been uploaded will be taken into account in order to determine the total bidding charges payable to the relevant RTA/CDP.

### Fees, Brokerage and Selling Commission

The total fees payable to the BRLM and Syndicate Members (including underwriting and selling commissions), and reimbursement of their out of pocket expenses, will be as stated in the engagement letter with the BRLM, each dated October 17, 2017 and the Syndicate Agreement dated September 12, 2018 among our Company and the members of the Syndicate, copies of which shall be available for inspection at our Registered and Corporate Office, from 10.00 am to 4.00 p.m. on Working Days from the date of filing the Red Herring Prospectus until the Bid/Issue Closing Date.

### Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue, including fees for processing of Bid cum Application Forms, data entry, printing of Allotment Advice, refund order, preparation of refund data on magnetic tape and printing of bulk mailing register, will be as per the agreement dated March 15, 2018 signed among our Company and the Registrar to the Issue, a copy of which shall be made available for inspection at our Registered and Corporate Office.

### Particulars regarding Public or Rights Issues during the Last Five Years



Except as disclosed in “*Capital Structure – Share Capital History*” on page 79 there have been no public or rights issues undertaken by our Company during the five years immediately preceding the date of this Red Herring Prospectus.

#### **Commission or Brokerage on Previous Issues**

Since this is the initial public offering of the Equity Shares of our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure public subscription for any of our Equity Shares, since the incorporation of our Company.

#### **Previous Issues Otherwise than for Cash**

As on the date of this Red Herring Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash, except as disclosed in “*Capital Structure*” beginning on page 79 of this Red Herring Prospectus.

#### **Capital Issues in the Preceding Three Years**

As on the date of this Red Herring Prospectus, our Company has not made any capital issues during the three years immediately preceding the date of this Red Herring Prospectus, except as disclosed in “*Capital Structure*” beginning on page 79 of this Red Herring Prospectus.

#### **Performance vis-à-vis Objects**

Except as disclosed in “*Capital Structure – Share Capital History*” on page 79, our Company has not undertaken any public or rights issue in the 10 years immediately preceding the date of this Red Herring Prospectus.

#### **Performance vis-à-vis Objects: Last Issue of Subsidiaries**

As on the date of this Red Herring Prospectus, our Company does not have any Subsidiaries which have made any public issue.

#### **Outstanding Debentures, Bonds or Redeemable Preference Shares**

As on date of this Red Herring Prospectus our Company does not have any outstanding debentures, bonds or redeemable preference shares.

#### **Partly Paid-Up Shares**

As on the date of this Red Herring Prospectus, there are no partly paid-up Equity Shares of our Company.

#### **Stock Market Data of the Equity Shares**

This being the initial public offering of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange as on the date of this Red Herring Prospectus, and accordingly, no stock market data is available for the Equity Shares.

#### **Mechanism for Redressal of Investor Grievances by our Company**

The agreement dated March 15, 2018 between the Registrar to the Issue and our Company, provides for retention of records with the Registrar to the Issue for a minimum period of three years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, in order to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

Investors may contact the BRLM for any complaint pertaining to the Issue. All grievances other than Anchor Investors may be addressed to the Registrar to the Issue, with a copy to the relevant Designated Intermediary(ies)

with whom the ASBA Form was submitted, quoting the full name of the sole or first Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the relevant Designated Intermediary, where the Bid was submitted and ASBA Account number in which the amount equivalent to the Bid Amount was blocked. Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediaries in addition to the documents or information mentioned hereinabove.

All grievances of the Anchor Investors may be addressed to the Registrar to the Issue, giving full details such as the name of the sole or first Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the Book Running Lead Manager where the Bid cum Application Form was submitted by the Anchor Investor.

### **Disposal of Investor Grievances by our Company**

We estimate that the average time required by our Company and/or the Registrar to the Issue for the redressal of routine investor grievances shall be seven days from the date of receipt of the complaint. In case of non routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Mr. Abhishek Gupta, Company Secretary, as the Compliance Officer and he may be contacted in case of any pre- Issue or post- Issue related problems, at the address set forth hereunder.

#### **Mr. Abhishek Gupta**

DEPL House, Neighbourhood Shopping Complex ,  
Sector-4, Nerul,

Navi – 400706, Mumbai

**Telephone:** 022-27704600/4700

**E-mail:** cs@depl.co.in

Further, our Board has constituted a Stakeholders' Relationship Committee comprising our Directors, February 07, 2018 which is responsible for redressal of grievances of the security holders of our Company. For more information, see "*Our Management*" beginning on page 143 of this Red Herring Prospectus.

### **Changes in Auditors**

M/s Nair and Nair Associates, Chartered Accountants who was the Statutory Auditor of our Company till the financial year ended on March 31, 2018 has resigned as a Statutory Auditor on August 14, 2018 and M/s Mansaka Ravi and Associates, Chartered Accountants has been appointed as a Statutory Auditor of our Company in Annual General Meeting of our Company held on September 04, 2018 for the term of five (5) years.

### **Capitalization of Reserves or Profits**

Except as disclosed in "*Capital Structure*" beginning on page 79, our Company has not capitalized its reserves or profits at any time during the five years immediately preceding the date of this Red Herring Prospectus.

### **Revaluation of Assets**

Our Company has not revalued its assets at any time during the last five years preceding the date of this Red Herring Prospectus.

## SECTION VII - ISSUE INFORMATION

### TERMS OF THE ISSUE

The Equity Shares being issued pursuant to the Issue shall be subject to the provisions of the Companies Act, SEBI ICDR Regulations, SCRA, SCRR, the Memorandum and Articles of Association, the terms of the Red Herring Prospectus, the Prospectus, the Abridged Prospectus, Bid cum Application Form, the Revision Form, the CAN/Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchange, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by the SEBI, the RBI, the Government of India, the Stock Exchanges, the RoC and/or any other authorities while granting its approval for the Issue.

#### Issue Expenses

For further details in relation to Issue expenses, see “*Objects of the Issue*” and “*Other Regulatory and Statutory Disclosures*” beginning on pages 92 and 418 respectively of this Red Herring Prospectus.

#### Ranking of the Equity Shares

The Equity Shares being issued pursuant to the Issue shall be subject to the provisions of the Companies Act, the MoA and AoA and shall rank *pari-passu* in all respects with the existing Equity Shares including in respect of the right to receive dividend. The Allottees upon Allotment of Equity Shares under the Issue, will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, see “*Main Provisions of Articles of Association*” beginning on page 478 of this Red Herring Prospectus.

#### Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of Companies Act, the Memorandum of Association and Articles of Association and provisions of the SEBI Listing Regulations. The declaration and payment of dividends will be recommended by our Board of Directors and our shareholders, in their discretion, and will depend on a number of factors, including but not limited to our earnings, capital requirements and overall financial condition. We shall pay dividends in cash for further details, in relation to dividends, see “*Dividend Policy*” and “*Main Provisions of the Articles of Association*” beginning on pages 158 and 478 respectively of this Red Herring Prospectus.

#### Face Value and Price Band

The face value of each Equity Share is ₹ 10 and the Issue Price at the lower end of the Price Band is ₹ [●] per Equity Share and at the higher end of the Price Band is ₹ [●] per Equity Share. The Anchor Investor Issue Price is ₹ [●] per Equity Share. The Issue Price is [●] times the face value of the Equity Shares.

The Price Band will be decided by our Company in consultation with the BRLM and the minimum Bid Lot size for the Issue will be decided by our Company in consultation with the BRLM and advertised in all editions of the English national newspaper Business Standard, all editions of the Hindi national newspaper Business Standard and the Mumbai edition of the Marathi newspaper Navshakti (Marathi being the regional language of Maharashtra where our Registered Office is located), each with wide circulation, at least five Working Days prior to the Bid/Issue Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading the same on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the websites of the Stock Exchanges. At any given point of time there shall be only one denomination of Equity Shares.

#### Compliance with disclosure and accounting norms

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 dividends, if declared;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy, in accordance with the provisions of the Companies Act;
- 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 including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the SEBI Listing Regulations and the Articles of Association of our 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 478 of this Red Herring Prospectus.

### **Market Lot and Trading Lot**

Pursuant to Section 29 of the Companies Act, 2013 the Equity Shares shall be allotted only in dematerialized form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialized form.

In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Issue:

- Agreement dated March 23, 2018 amongst NSDL, our Company and the Registrar to the Issue;
- Agreement dated March 15, 2018 amongst CDSL, our Company and the Registrar to the Issue.

Since trading of the Equity Shares is in dematerialized form, the tradable lot is one Equity Share. Allotment in the Issue will be only in electronic form in multiples of one Equity Share subject to a minimum Allotment of [●] Equity Shares.

### **Joint Holders**

Where two or more persons are registered as the holders of the Equity Shares, they shall be entitled to hold the same as joint tenants with benefits of survivorship.

### **Jurisdiction**

Exclusive jurisdiction for the purpose of the Issue is with the competent courts/authorities in Mumbai, Maharashtra, India.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (i) in the United States only to persons reasonably believed to be U.S. QIBs pursuant to Rule 144A or another available exemption from the registration requirements of the U.S. Securities Act, and (ii) outside the United States only in offshore transactions in reliance on Regulation S under the U.S. Securities Act and pursuant to the applicable laws of the jurisdictions where those offers and sales occur.**

### **Nomination facility to investors**

In accordance with Section 72 of the Companies Act, 2013 the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Corporate Office or to the registrar and transfer agents of our Company. A nomination may be cancelled, or varied by nominating any other person in place of the present nominee, by the holder of the Equity Shares who has made the nomination, by giving a notice of such cancellation or variation to our Company in the prescribed form.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- a) to register himself or herself as the holder of the Equity Shares; or
- b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

**Since the Allotment of Equity Shares in the Issue will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the investor wants to change the nomination, they are requested to inform their respective depository participant.**

#### **Period of operation of subscription list**

For details, please see the section titled – “*Issue Structure - Bid/Issue Programme*” on page 429 of the chapter titled “*Issue Structure*” of this Red Herring Prospectus.

#### **Minimum Subscription**

If our Company does not receive (i) the minimum subscription of 90% of the Fresh Issue; and (ii) minimum Allotment as specified under Rule 19(2) (b) (i) of the SCRR, including devolvement of Underwriters, if any, within 60 days from the date of Bid/Issue Closing Date, our Company shall forthwith refund the entire subscription amount received, no later than 70 days from the closure of the Issue in accordance with Regulation 14 of the SEBI (ICDR) Regulations. If there is a delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI ICDR Regulations and other applicable law.

Further, in accordance with Regulation 26(4) of the SEBI (ICDR) Regulations, we shall ensure that the number of prospective Allottees to whom the Equity Shares will be allotted will be not less than 1,000 otherwise, the entire application money will be refunded forthwith. If there is a delay beyond 6 (six) working days after we become liable to pay the amount, we shall pay interest at the rate of 15% per annum for the delayed period.

#### **Arrangements for Disposal of Odd Lots**

There are no arrangements for disposal of odd lots.

#### **Restrictions, if any on Transfer and Transmission of Equity Shares**

Except for the lock-in of the pre-Issue capital of our Company, minimum Promoters' contribution and the Anchor Investor lock-in as provided in "*Capital Structure*" beginning on page 79 of this Red Herring 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 see "*Main Provisions of the Articles of Association*" beginning on page 478 of this Red Herring Prospectus.

#### **Option to Receive Securities in Dematerialized Form**

Pursuant to Section 29 of the Companies Act, 2013, the Equity Shares in the Issue shall be allotted only in dematerialized form. Further, as per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialized form on the Stock Exchanges.

## ISSUE STRUCTURE

The Issue is of up to 1,00,00,000 Equity Shares, at an Issue Price of ₹ [●] per Equity Share for cash, including a premium of ₹ [●] per Equity Share, aggregating up to ₹ [●] million and is being made through the Book Building Process. The Issue shall constitute at least 25% of the post-Issue paid up equity share capital of our Company.

The Issue is being made through the Book Building Process.

Particular	QIB	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for allocation**	Upto [●] Equity Shares.	Not less than [●] Equity Shares or Issue less allocation to QIBs and Retail Individual Investors.	Not less than [●] Equity Shares or Issue less allocation to QIBs and Non-Institutional Investors.
Percentage of Issue size available for allocation	Upto 50% of the Issue will be available for allocation to QIBs. However, 5% of the QIB Category, excluding the Anchor Investor Portion, will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the 5% reservation portion will also be eligible for allocation in the remaining QIB Category. The unsubscribed portion in the Mutual Fund portion will be available for allocation to QIBs. The issuer may allocate upto 60 per cent of the portion available for allocation to qualified institutional buyers to an anchor investor in accordance with the conditions specified in this regard in Schedule XI.	Not less than 15% of the Issue.	Not less than 35% of the Issue.
Basis of Allotment if Respective category is oversubscribed	Proportionate as follows (excluding the Anchor Investor Portion):  (a) [●] Equity Shares constituting 5% of the Net QIB Portion will be available for allocation on a proportionate basis to Mutual Funds; and  (b) [●] Equity Shares will be available for allocation on a proportionate basis to QIBs including Mutual Funds receiving allocation as per (a) above.	Proportionate	In the event the Bids received from Retail Individual Investors exceeds [●] Equity Shares, then the maximum number of Retail Individual Investors who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to Retail Individual Investors by the minimum Bid Lot ("Maximum RII Allottees"). The Allotment to Retail Individual Investors will then be made in the following manner:

			<p>(a) If the number of Retail Individual Investors who have submitted valid Bids in the Issue is equal to or less than the Maximum RII Allottees, (i) all such Retail Individual Investors shall be allocated the minimum Bid Lot and (ii) the balance Equity Shares, if any, remaining in the Retail Category shall be allocated on a proportionate basis to those Retail Individual Investors who received allocation as per (i) above, for less than the Equity Shares Bid for by them (i.e. Retail Individual Investors who have Bid for more than the minimum Bid Lot)</p> <p>(b) In the event, the number of Retail Individual Investors who have submitted valid Bids in the Issue is more than the Maximum RII Allottees, the Retail Individual Investors who will be allocated the minimum Bid Lot shall be determined by draw of lots.</p> <p>Allotment to each Retail Individual Investor shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Category. For more information, see “<i>Issue Procedure</i>” on page 431 of this Red Herring Prospectus.</p>
Mode of Bidding	Through ASBA process only (other than Anchor Investors)		
Minimum Bid	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount exceeds ₹ 200,000	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount exceeds ₹ 200,000	[●] Equity Shares
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid does not exceed the Issue, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid does not exceed the Issue, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹ 200,000
Mode of Allotment	Compulsorily in dematerialized form		



Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter	
Allotment Lot	[●] Equity Shares and in multiples of one Equity Share thereafter	[●] Equity Shares and in multiples of one Equity Share thereafter subject to availability in the Retail Category
Trading Lot	One Equity Share	
Who can Apply	Public financial institutions specified in Section 2(72) of the Companies Act 2013, FPIs (other than Category III FPIs), scheduled commercial banks, mutual funds registered with the SEBI, venture capital funds registered with SEBI, FVCIs, AIFs, multilateral and bilateral development financial institutions, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds with a minimum corpus of ₹ 250 million, pension funds with a minimum corpus of ₹ 250 million, the National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of the GoI, published in the Gazette of India, insurance funds set up and managed by the army, navy, or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important Non-Banking Financial Company	Eligible NRIs, Resident Indian individuals, HUFs (in the name of the Karta), companies, corporate bodies, scientific institutions, societies and trusts, Category III FPIs registered with SEBI, which is a foreign corporate or foreign individual for Equity Shares such that the Bid Amount exceeds ₹ 200,000 in value.
		Resident Indian individuals, HUFs (in the name of the Karta) and Eligible NRIs applying for Equity Shares such that the Bid Amount does not exceed ₹ 200,000 in value.
Terms of Payment	<p><b>In case of Anchor Investors:</b> Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids</p> <p><b>In case of all other Bidders:</b> Full Bid Amount shall be blocked by the SCSBs in the bank account of the Bidder (other than an Anchor Investor) that is specified in the Bid cum Application Form at the time of the submission of the Bid cum Application Form</p>	

\* Our Company, in consultation with the BRLM, may allocate up to 60% of the QIB Category to Anchor Investors at the Anchor Investor Issue Price, on a discretionary basis, subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹ 100 million, (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100 million but up to ₹ 2,500 million, subject to a minimum Allotment of ₹ 50 million per Anchor Investor, and (iii) in case of allocation above ₹ 2,500 million, a minimum of five and a maximum of 15 Anchor Investors are allowed for allocation of up to ₹ 2,500 million and an additional 10 such investors for every additional ₹ 2,500 million or part thereof will be permitted, subject to a minimum allotment of ₹ 50 million per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹ 100 million. One-third of the Anchor Investor Portion will be reserved for domestic Mutual Funds, subject to valid Bids being received at or above Anchor Investor Issue Price.

*\*\* In terms of Rule 19(2)(b)(i) of the SCRR, the Issue is being made for at least 25% of the post-Issue paid-up equity share capital of our Company. The Issue is being made through the Book Building Process, in compliance with Regulation 26(1) of the SEBI ICDR Regulations, where not more than 50% of the Issue will be available for allocation to QIBs on a proportionate basis, provided that our Company, in consultation with the BRLM, may allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations, of which at least one-third will be available for allocation to domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds. Further, 5% of the QIB Category (excluding the Anchor Investor Portion) will be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the QIB Category will be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors) including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Issue will be available for allocation on a proportionate basis to Non-Institutional Investors subject to valid Bids being received at or above the Issue Price. Further, not less than 35% of the Issue will be available for allocation to Retail Individual Investors in accordance with SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.*

*\*\*\*If the Bid is submitted in joint names, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the depository account held in joint names. The signature of only the first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.*

*\*\*\*\*Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms.*

An undersubscription, if any, in any category, except the QIB Category, would be met with spill-over from the other categories at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange. Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

### **Withdrawal of the Issue**

Our Company, in consultation with the BRLM, reserves the right not to proceed with the Issue at any time after the Bid/Issue Opening Date but before Allotment. If our Company withdraws the Issue, our Company will issue a public notice within two days from the Bid/Issue Closing Date or such time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The BRLM, 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 Exchanges will also be informed promptly.

If our Company withdraws the Issue after the Bid/Issue Closing Date and thereafter determine that it will proceed with a public offering of Equity Shares, we will file a fresh Draft Red Herring Prospectus with SEBI and the Stock Exchanges. Notwithstanding the foregoing, the Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company will apply for only after Allotment and within six Working Days of the Bid Closing Date; and (ii) the final RoC approval of the Prospectus.

### **Bid/Issue Period**

<b>BID/ISSUE OPENS ON*</b>	September 28, 2018
<b>BID/ISSUE CLOSES ON**</b>	October 03, 2018
<b>FINALISATION OF BASIS OF ALLOTMENT</b>	On or before October 09, 2018
<b>INITIATION OF REFUNDS FOR ANCHOR INVESTORS/UNBLOCKING OF FUNDS</b>	On or before October 10, 2018
<b>CREDIT OF EQUITY SHARES TO DEPOSITORY ACCOUNTS</b>	On or before October 10, 2018

*\* Our Company, in consultation with the BRLM, may consider participation by Anchor Investors. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Issue Opening Date.*

*\*\*Our Company, in consultation with the BRLM, may decide to close the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date, in accordance with the SEBI ICDR Regulations.*

**This timetable, other than Bid/Issue Opening and Closing Dates, is indicative in nature and does not constitute any obligation or liability on our Company or the members of the Syndicate. While we will use best efforts to ensure that listing and trading of our Equity Shares on the Stock Exchanges commences within six Working Days of the Bid/Issue Closing Date, the timetable may be subject to change for various reasons, including any delays in receipt of final listing and trading approvals from the Stock Exchanges, delay in receipt of final certificates from SCSBs, etc. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges in accordance with applicable laws.**

Except in relation to the Bids received from Anchor Investors, Bids and any revision in Bids will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Bid/ Issue Period at the Bidding Centres, except that on the Bid/ Issue Closing Date (which for QIBs may be a day prior to the Bid/ Issue Closing Date for non-QIBs), Bids will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until (i) 4.00 p.m. (Indian Standard Time) by QIBs and Non-Institutional Investors; and (ii) 5.00 p.m. (Indian Standard Time) or such extended time permitted by the Stock Exchanges, in case of Bids by Retail Individual Investors. On the Bid/ Issue Closing Date, extension of time may be granted by the Stock Exchanges only for uploading Bids received from Retail Individual Investors, after taking into account the total number of Bids received up to closure of timings for acceptance of Bid cum Application Forms as stated herein and reported by the BRLM to the Stock Exchanges. Due to limitation of time available for uploading Bids on the Bid/ Issue Closing Date, Bidders are advised to submit Bids one day prior to the Bid/ Issue Closing Date and, in any case, no later than 1.00 p.m. (Indian Standard Time) on the Bid/Issue Closing Date. If a large number of Bids are received on the Bid/ Issue Closing Date, as is typically experienced in public issues, which may lead to some Bids not being uploaded due to lack of sufficient time to upload, such Bids that cannot be uploaded on the electronic bidding system will not be considered for allocation in the Issue. Our Company and the members of the Syndicate will not be responsible for any failure in uploading Bids due to faults in any hardware/software system or otherwise. Bids will be accepted only on Working Days. It is clarified that ASBA Bids not uploaded on the electronic bidding system would be rejected. Our Company, in consultation with the BRLM, reserves the right to revise the Price Band during the Bid/Issue Period, in accordance with the SEBI ICDR Regulations, provided that the Cap Price will be less than or equal to 120% of the Floor Price and the Floor Price will not be less than the face value of the Equity Shares. Subject to compliance with the foregoing, the Floor Price may move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly.

**In case of revision in the Price Band, the Bid/Issue Period will be extended for at least three additional Working Days after revision of Price Band subject to the Bid/Issue Period not exceeding ten Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a press release and by indicating the change on the website and terminal of the Designated Intermediaries.**

## ISSUE PROCEDURE

*All Bidders should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 as amended and modified by the circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, notified by SEBI (“**General Information Document**”) included below under section titled “**Part B – General Information Document**”, which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI ICDR Regulations. The General Information Document is also available on the websites of the Stock Exchanges and the BRLM. The General Information Document has been updated to reflect amendments to the SEBI ICDR Regulations and provisions of the Companies Act 2013, to the extent applicable to a public issue. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue. All Designated Intermediaries in relation to the Issue should ensure compliance with the SEBI circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, as amended and modified by the SEBI circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, in relation to clarifications on streamlining the process of public issue of equity shares and convertibles.*

*Our Company and the Syndicate do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Bidders are advised to make their independent investigations and ensure that their Bids do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and the Prospectus.*

### PART A

#### Book Building Procedure

The Issue is being made through the Book Building Process wherein upto 50% of the Issue will be available for allocation to QIBs on a proportionate basis, provided that our Company, in consultation with the BRLM, may allocate up to 60% of the QIB Category to Anchor Investors at the Anchor Investor Issue Price, on a discretionary basis, of which at least one-third will be available for allocation to domestic Mutual Funds. Further, 5% of the QIB Category (excluding the Anchor Investor Portion) will be available for allocation on a proportionate basis to Mutual Funds only. The remainder will be available for allocation on a proportionate basis to all QIBs including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Issue will be available for allocation on a proportionate basis to Non-Institutional Investors subject to valid Bids being received at or above the Issue Price. Further, not less than 35% of the Issue will be available for allocation to Retail Individual Investors in accordance with SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Under-subscription, if any, in any category, except the QIB Category, would be met with spill-over from any other category or categories, as applicable, at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange, on a proportionate basis, subject to applicable laws.

**Investors should note that the Equity Shares will be allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders’ depository account, including DP ID, Client ID and PAN will be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.**

**Please note that all the investors (other than Anchor Investors) shall mandatorily apply in the Issue through the ASBA process only. However, Anchor Investors are not permitted to participate in the Issue through the ASBA process.**

#### Bid cum Application Form

Retail Individual Bidders can submit their Bids by submitting Bid cum Application Forms, in physical form, to the members of the Syndicate, the sub-Syndicate, the Registered Brokers, Registrars to an Issue and Share Transfer Agents and Depository Participants.

Copies of the Bid cum Application Form and the abridged prospectus will be available with the members of the Syndicate, the Designated Intermediaries at relevant Bidding Centres and at our Registered and Corporate Office. The Bid cum Application Forms will also be available for download on the websites of the NSE ([www.nseindia.com](http://www.nseindia.com)) and the BSE ([www.bseindia.com](http://www.bseindia.com)), at least one day prior to the Bid/Issue Opening Date.

QIBs (other than Anchor Investors), Non-Institutional Bidders and Retail Individual Bidders shall mandatorily participate in the Offer only through the ASBA process.

Bidders (other than Bids by Anchor Investor) must provide bank account details and authorization to block funds in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain such details will be rejected.

Further, such Bidders shall ensure that the Bids are submitted at the Bidding centres only on Bid cum Application Forms bearing the stamp of a Designated Intermediary(ies) (except in case of electronic Bid-cum-Application Forms) and Bid cum Application Forms not bearing such specified stamp maybe liable for rejection. Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB at the time of submitting the Bid.

For Anchor Investors, the Anchor Investor Application Form will be available at the office of the BRLM.

**Upon acceptance of a Bid cum Application Form, it is the responsibility of the Registered Brokers, or Registrars to an Issue and Share Transfer Agents and Depository Participants to comply with the obligations set out in the SEBI circulars nos. CIR/CFD/14/2012 dated October 4, 2012 and CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, including in relation to uploading the Bids on the online system of the Stock Exchanges and forwarding the schedule along with the Bid cum Application Form to the relevant branch of the SCSB and they are liable for any failure in this regard.**

The prescribed colour of the Bid cum Application Forms for various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis**	White
Non-Residents including FPIs, Eligible NRIs, FVCIs and registered bilateral and multilateral institutions applying on a repatriation basis**	Blue
Anchor Investors ***	White

\* *Excluding electronic Bid cum Application Forms.*

\*\* *Electronic Bid cum Application forms will also be available for download on the website of the NSE ([www.nseindia.com](http://www.nseindia.com)) and the BSE ([www.bseindia.com](http://www.bseindia.com)).*

\*\*\* *Bid cum Application Forms for Anchor Investors will be made available at the office of the BRLM.*

Designated Intermediaries (other than SCSBs) shall submit/deliver the Bid cum Application Form to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

### Who can Bid?

The following persons are eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines:

- 1) Mutual Funds registered with SEBI. Bids by asset management companies or custodians of Mutual Funds should clearly indicate the name of the concerned scheme for which the Bid is submitted;
- 2) Venture Capital Funds and AIFs registered with SEBI;



- 3) Foreign Venture Capital Investors registered with SEBI;
- 4) FPI registered with SEBI, provided that any Foreign Institutional Investor (“FII”) who holds a valid certificate of registration shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995;
- 5) Public financial institutions as defined under Section 2(72) of the Companies Act 2013;
- 6) Indian financial institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI and the SEBI ICDR Regulations and other laws as applicable);
- 7) Scheduled commercial banks;
- 8) State Industrial Development Corporations;
- 9) Scientific and/or industrial research organisations in India, authorised to invest in equity shares;
- 10) Insurance companies registered with IRDA;
- 11) Provident funds and pension funds with a minimum corpus of ₹ 250 million and who are authorized under their constitutional documents to hold and invest in equity shares;
- 12) National Investment Fund set up by resolution no. F. No. 2/3/2005-DD-II dated November 23, 2005 of the GoI published in the Gazette of India;
- 13) Insurance funds set up and managed by the army, navy or air force of the Union of India or by the Department of Posts, India;
- 14) NRIs on a repatriation basis or on a non-repatriation basis, subject to the applicable laws;
- 15) Companies, corporate bodies and trust/societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/societies and who are authorised under the respective constitutions to hold and invest in equity shares;
- 16) Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three);
- 17) Bids/Applications belonging to an account for the benefit of a minor (under guardianship);
- 18) Hindu Undivided Families or HUFs, in the individual name of the Karta;
- 19) Limited liability partnerships registered under the Limited Liability Partnership Act, 2008;
- 20) Multilateral and bilateral development financial institutions; and
- 21) Any other person eligible to Bid in the Issue under applicable laws.

Also see “Part B- General Information Document for Investing in Public Issues - Category of Investors Eligible to Participate in an Issue” on page 443 of this Red Herring Prospectus

**The Equity Shares have not been and will not be registered under the U.S. Securities Act, 1933 (the “U.S. Securities Act”) or the securities laws of any state of the United States, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

#### **Participation by the promoter, promoter group, associates and affiliates of the BRLM and the Syndicate Members**

The BRLM and the Syndicate Members shall not be allowed to purchase Equity Shares in the Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members may Bid for Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the BRLM and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Except for Mutual Funds sponsored by entities related to the BRLM, the BRLM and any persons related to the BRLM, promoter and promoter group of the BRLM cannot apply in the Issue under the Anchor Investor Portion.

### **Bids by Mutual Funds**

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, the Company reserves the right to reject any Bid without assigning any reason therefor. Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid may be made in respect of each scheme of a Mutual Fund registered with the SEBI and such Bids in respect of more than one scheme of a Mutual Fund will not be treated as multiple Bids, provided that such Bids clearly indicate the scheme for which the Bid is submitted.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific scheme. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

### **Bids by Eligible NRIs**

Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Eligible NRIs applying on a repatriation basis should authorise their SCSBs to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") accounts, and Eligible NRIs bidding on anon-repatriation basis should authorise their SCSBs to block their Non-Resident Ordinary ("NRO") accounts for the full Bid amount, at the time of submission of the Bid cum Application Form.

### **Bids by FPI (including FIIs)**

On January 7, 2014, SEBI notified the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 ("SEBI FPI Regulations") pursuant to which the existing classes of portfolio investors, namely, FIIs and QFIs were subsumed under a new category namely foreign portfolio investors' or FPIs. Furthermore, RBI on March 13, 2014 amended the FEMA Regulations and laid down conditions and requirements with respect to investment by FPIs in Indian companies.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-Offer Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up equity share capital of a company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up equity share capital of a company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the board of directors followed by a special resolution passed by the shareholders of a company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limits for an FII or sub account in our Company are 10% and 49% of the total paid-up Equity Share capital of our Company, respectively. FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio investor and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognised stock

exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with ‘know your client’ norms, and (iii) such offshore derivatives instruments shall not be issued to or transferred to persons who are resident Indians or NRIs and to entities beneficially owned by resident Indian or NRIs.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to the following conditions:

- a) such offshore derivative instruments are transferred only to persons in accordance with Regulation 22(1) of the SEBI FPI Regulations; and
- b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

### **Bids by SEBI registered Venture Capital Funds, AIFs and Foreign Venture Capital Investors**

The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as amended, (the “**SEBI VCF Regulations**”) and the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended, among other things prescribe the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 (the “**SEBI AIF Regulations**”) prescribe, amongst others, the investment restrictions on AIFs.

Accordingly, the holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one investee company. A category III AIF cannot invest more than 10% of the corpus in one investee company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

### **Bids by limited liability partnerships**

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid without assigning any reason therefor.

### **Bids by banking companies**

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company’s investment committee are required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason therefor.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949 (the “**Banking Regulation Act**”), and Master Circular – Para-banking Activities dated July 1, 2015 is 10% of the paid-up share capital of the investee company or 10% of the banks’ own paid-up share capital and reserves, whichever is less. Further, the investment in a non-financial services company by a banking company together with its subsidiaries, associates, joint ventures, entities directly or indirectly controlled by the bank and mutual funds



managed by asset management companies controlled by the banking company cannot exceed 20% of the investee company's paid-up share capital. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

### **Bids by SCSBs**

SCSBs participating in the Issue are required to comply with the terms of the circulars dated September 13, 2012 and January 2, 2013 issued by the SEBI. 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 applications.

### **Bids by insurance companies**

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, the Company reserves the right to reject any Bid without assigning any reason thereof. The exposure norms for insurers are prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000 (the "**IRDA Investment Regulations**") and other applicable rules, guidelines and regulations prescribed by IRDA.

- a) equity shares of a company: the lower of 10% of the outstanding Equity Shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- b) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- c) the industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be.

Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDA from time to time.

### **Bids by provident funds/pension funds**

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 250 million, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company in consultation with the BRLM reserves the right to reject any Bid, without assigning any reason thereof.

### **Bids under Power of Attorney**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs (including FIIs), Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹ 250 million (subject to applicable laws) and pension funds with a minimum corpus of ₹ 250 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company in consultation with the BRLM in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company in consultation with the BRLM may deem fit.

## Bids by Anchor Investors

For details in relation to Bids by Anchor Investors, see the section entitled “*Issue Procedure – Part B – General Information Document for Investing in Public Issues*” on page 443 of this Red Herring Prospectus.

**In accordance with RBI regulations, OCBs cannot participate in the Issue.**

**The above information is given for the benefit of the Bidders. Our Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in this Red Herring Prospectus.**

## Pre-Issue Advertisement

Subject to Section 30 of the Companies Act 2013, our Company will, after registering the Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI ICDR Regulations, in all editions of Business Standard, (a widely circulated English national newspaper), all editions of Business Standard (a widely circulated Hindi national newspaper, one Marathi edition of Navshakti, Marathi being the regional language in Maharashtra, where our Registered and Corporate Office is located). Our Company shall, in the pre-issue advertisement state the Bid Opening Date, the Bid Closing Date and the QIB Bid Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act 2013, shall be in the format prescribed in Part A of Schedule XIII of the SEBI ICDR Regulations.

## General Instructions

### Do's:

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Ensure that you have Bid within the Price Band;
3. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
4. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
5. Ensure that the details about the PAN, DP ID and Client ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
6. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time;
7. If the first applicant is not the bank account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have an account with an SCSB and have mentioned the correct bank account number of the SCSB in the Bid cum Application Form;
8. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
9. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
10. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options;
11. Ensure that you have funds equal to the Bid Amount in the ASBA Account with the SCSB before submitting the ASBA Form to any of the Designated Intermediaries;
12. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to the respective member of the Syndicate (at the Specified Locations), the SCSBs (at the Designated Branches), the Registered Broker (at the Broker Centres), the RTAs (at the Designated RTA Locations) or CDPs (at the Designated CDP Locations);
13. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

14. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of the SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
15. Ensure that the Demographic Details are updated, true and correct in all respects;
16. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
17. Ensure that the category and the investor status is indicated;
18. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
19. Ensure that Bids submitted by any person outside India is in compliance with applicable foreign and Indian laws;
20. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;
21. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus;
22. Ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in>).
23. Ensure that you have mentioned the correct ASBA Account number in the Bid cum Application Form; and
24. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

**Don'ts:**

1. Do not Bid for lower than the minimum Bid size;
2. Do not send the Bid cum Application Form by post, instead submit the same to the Designated Intermediary only;
3. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;
4. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
5. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;
6. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary(ies);
7. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
8. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
9. Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by Retail Individual Bidders);
10. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Issue size and/or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or

regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;

11. Do not submit the General Index Register number instead of the PAN;
12. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account;
13. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;
14. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
15. If you are a QIB, do not submit your Bid after 3.00 p.m. on the QIB Bid/Offer Closing Date;
16. If you are a Non-Institutional Bidder or Retail Individual Bidder, do not submit your Bid after 3.00 p.m. on the Bid/Offer Closing Date;
17. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
18. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Investor;
19. Do not submit more than five Bid cum Application Forms per ASBA Account; and
20. Anchor Investors should not bid through the ASBA process.
21. Do not submit ASBA Bids to a Designated Intermediary at a location other than the Bidding Centres;
22. Do not submit ASBA Bids to a Designated Intermediary at a Bidding Centre unless the SCSB where the ASBA Account is maintained, as specified in the Bid cum Application Form, has named at least one branch in the relevant Bidding Centre, for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in>); and

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

### **Instructions for completing the Bid cum Application Form**

In addition to the instructions for completing the Bid cum Application Form provided in the sub-section titled “*Part B – General Information Document for Investing in Public Issues – Applying in the Issue – Instructions for filing the Bid cum Application Form/Application Form*” on page 443, Bidders are requested to note the additional instructions provided below.

1. Thumb impressions and signatures other than in the languages specified in the Eighth Schedule in the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal. Bids must be in single name or in joint names (not more than three, and in the same order as their Depository Participant details).
2. Bids through ASBA must be made in single name or in joint names (not more than three, and in the same order as their details appear with the Depository Participant), and completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained in the Red Herring Prospectus and in the Bid cum Application Form.
3. Bids on a repatriation basis shall be in the names of individuals, or in the name of Eligible NRIs, FIIs, FPIs, QFIs, but not in the names of minors, OCBs, firms or partnerships, foreign nationals (excluding NRIs) or 275 their nominees. Bids by Eligible NRIs and QFIs for a Bid Amount of upto ₹200,000 would be considered under the Retail Portion for the purposes of allocation and Bids for a Bid Amount of more than ₹ 200,000 would be considered under Non-Institutional Portion for the purposes of allocation.

### **Grounds for Technical Rejections**

In addition to the grounds for rejection of Bids on technical grounds as provided in the sub-section titled “*Part B – General Information Document for Investing in Public Issues – Issue Procedure in Book Built Issue – Rejection and Responsibility for Upload of Bids – Grounds for Technical Rejection*son” on page 439 of this Red Herring Prospectus, Bidders are requested to note that Bids may be rejected on the following additional technical grounds.

1. Bid submitted without payment of the entire Bid Amount;
2. Bids submitted by Retail Individual Bidders which do not contain details of the Bid Amount and the bank account details in the Bid cum Application Form;
3. Bids submitted on a plain paper;
4. Bids by HUFs not mentioned correctly as given in the sub-section titled “Who can Bid?” in this Red Herring Prospectus;
5. ASBA Bids submitted directly to the SCSBs does not bear the stamp of the SCSB and/or the Designated Branch and/or the Book Running Lead Manager or Registered Brokers or RTAs or DPs, as the case may be;
6. Signature of First/sole Bidder missing;
7. The Bid cum Application Form not being signed by the account holders, if the account holder is different from the Bidder;
8. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are ‘suspended for credit’ in terms of SEBI circular (reference number: CIR/MRD/DP/22 /2010) dated July 29, 2010;
9. GIR number furnished instead of PAN;
10. Bids by Retail Individual Bidders with Bid Amount for a value of more than ₹ 200,000;
11. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
12. Bids accompanied by stock invest/money order/postal order/cash;
13. Bids by U.S. Persons, as defined under Regulation S of the U.S. Securities Act, outside the United States; and
14. Bids uploaded by QIBs after 4.00 pm on the QIB Bid Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid Closing Date, and Bids by Retail Individual Bidders and Eligible Employees uploaded after 5.00 p.m. on the Bid Closing Date, unless extended by the Stock Exchanges.

#### **Payment into Anchor Escrow Account by Anchor Investors**

Our Company, in consultation with the BRLM, in their absolute discretion, will decide the list of Anchor Investors to whom the Allotment Advice will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. The payment instruments for payment into the Anchor Escrow Account for Anchor Investors should be drawn in favor of:

- i. In case of resident Anchor Investors: “Dinesh Engineers Limited - Anchor Account - R ”
- ii. In case of non-resident Anchor Investors: “Dinesh Engineers Limited - Anchor Account - NR ”

#### **Signing of the Underwriting Agreement and the RoC Filing**

- (a) Our Company and the Syndicate intend to enter into an Underwriting Agreement after the finalisation of the Issue Price.
- (b) After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which then would be termed as the ‘Prospectus’. The Prospectus will contain details of the Issue Price, the Anchor Investor Issue Price, Issue size, and underwriting arrangements and will be complete in all material respects.

## **Impersonation**

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:

“Any person who:

- a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

## **Undertakings by our Company**

Our Company undertakes the following:

1. if our Company does not proceed with the Issue after the Bid/Issue Closing Date, the reason thereof shall be given as a public notice to be issued by our Company within 2 (two) days of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;
2. if our Company withdraws the Issue after the Bid/Issue Closing Date, our Company shall be required to file a fresh offer document with the RoC/ SEBI, in the event our Company subsequently decides to proceed with the Issue;
3. the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;
4. all steps will be taken for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within six Working Days of the Bid/Issue Closing Date;
5. the funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;
6. completion of Allotment and dispatch of the Allotment Advice, including any revisions, if required, shall be done within the time prescribed under Applicable Law, and in the event of failure to do so, the Company shall ensure payment of interest to the Bidders in respect of which there was such a failure, as required under Applicable Law.
7. That in case of Anchor Investors that where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 Working Days from the Bid/Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
8. if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/ unblocked within the time period 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;

9. That no further issue of Equity Shares shall be made until the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are refunded on account of non-listing, undersubscription etc.;
10. The Promoters' Contribution has been brought in to the extent of not less than the specified minimum lot, as required under the SEBI ICDR Regulations;
11. That the allotment of securities/refund confirmation to Eligible NRIs shall be dispatched within specified time;
12. That adequate arrangements shall be made to collect all Bid cum Application Forms; and
13. That the Allotment Advice will be issued or the application money will be refunded/unblocked within such time as specified by the SEBI, failing which interest will be paid to the Bidders at the rate prescribed under applicable law for the delayed period.

The Promoter has authorized the Compliance Officer of our Company and the Registrar to the Issue to redress any complaints received from Bidders in respect of the Issue for Sale.

#### **Utilization of Net Proceeds**

Our Board certifies that:

- a. all monies received out of the Issue shall be credited/transferred to a shall be transferred to a separate bank account in a scheduled bank as referred to in sub-section (3) of Section 40 of the Companies Act, 2013;
- b. details of all monies utilized out of the Issue referred to in sub item (i) shall be disclosed and continue to be disclosed until the time any part of the Net 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; and
- c. details of all unutilized monies out of the Issue referred to in sub-item (i) shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.
- d. the details of all unutilised monies out of the funds received under the Promoters' contribution shall be disclosed under a separate head in the balance sheet of our Company indicating the form in which such unutilised monies have been invested.

Our Company declares that all monies received from the Issue shall be transferred to separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act 2013.

## 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, the SCRA, the SCRR and the SEBI ICDR Regulations. 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 Red Herring 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 through the Book-Building Process as well as to the Fixed Price Issues. The purpose of the “General Information Document for Investing in Public Issues” is to provide general guidance to potential Bidders/Applicants in IPOs and FPOs, and on the processes and procedures governing IPOs and FPOs, undertaken in accordance with the provisions of the SEBI ICDR Regulations.

Bidders/Applicants should note that investment in equity and equity related securities involves risk and Bidder/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 Red Herring Prospectus (“RHP”)/Prospectus filed by the Issuer with the Registrar of Companies. Bidders/Applicants should carefully read the entire RHP/Prospectus and the Bid cum Application Form/Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the RHP/Prospectus, the disclosures in the RHP/Prospectus shall prevail. The RHP/Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the BRLM(s) to the Issue and on the website of Securities and Exchange Board of India (“SEBI”) at [www.sebi.gov.in](http://www.sebi.gov.in).

For the definitions of capitalized terms and abbreviations used herein Bidders/Applicants may see “Glossary and Abbreviations”.

#### SECTION 2: BRIEF INTRODUCTION TO IPOs/FPOs

##### 2.1 Initial public offer (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is *inter-alia* required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer, Bidders/Applicants may refer to the RHP/Prospectus.

##### 2.2 Further public offer (FPO)

An FPO means an offer of specified securities by a listed Issuer to the public for subscription and may include Offer for Sale of specified securities to the public by any existing holder of such securities in a listed Issuer.

For undertaking an FPO, the Issuer is *inter-alia* required to comply with the eligibility requirements in terms of Regulation 26/ Regulation 27 of the SEBI ICDR Regulations. For details of compliance with the eligibility requirements by the Issuer, Bidders/Applicants may refer to the RHP/Prospectus.

##### 2.3 Other Eligibility Requirements:



In addition to the eligibility requirements specified in paragraphs 2.1 and 2.2, an Issuer proposing to undertake an IPO or an FPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, the Companies Act, 2013, the Companies Act, 1956 (to the extent applicable), the Securities Contracts (Regulation) Rules, 1957, industry-specific regulations, if any, and other applicable laws for the time being in force.

For details in relation to the above Bidders/Applicants may refer to the RHP/Prospectus.

## 2.4 Types of Public Issues – Fixed Price Issues and Book Built Issues

In accordance with the provisions of the SEBI ICDR Regulations, an Issuer can either determine the Issue Price through the Book Building Process (“**Book Built Issue**”) or undertake a Fixed Price Issue (“**Fixed Price Issue**”). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the Draft Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Bid/Issue Opening Date, in case of an IPO and at least one Working Day before the Bid/Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities. Bidders/Applicants should refer to the RHP/Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

## 2.5 ISSUE PERIOD

The Issue may be kept open for a minimum of three Working Days (for all category of Bidders/Applicants) and not more than ten Working Days. Bidders/Applicants are advised to refer to the Bid cum Application Form and Abridged Prospectus or RHP/Prospectus for details of the Bid/Issue Period. Details of Bid/Issue Period are also available on the website of the Stock Exchange(s).

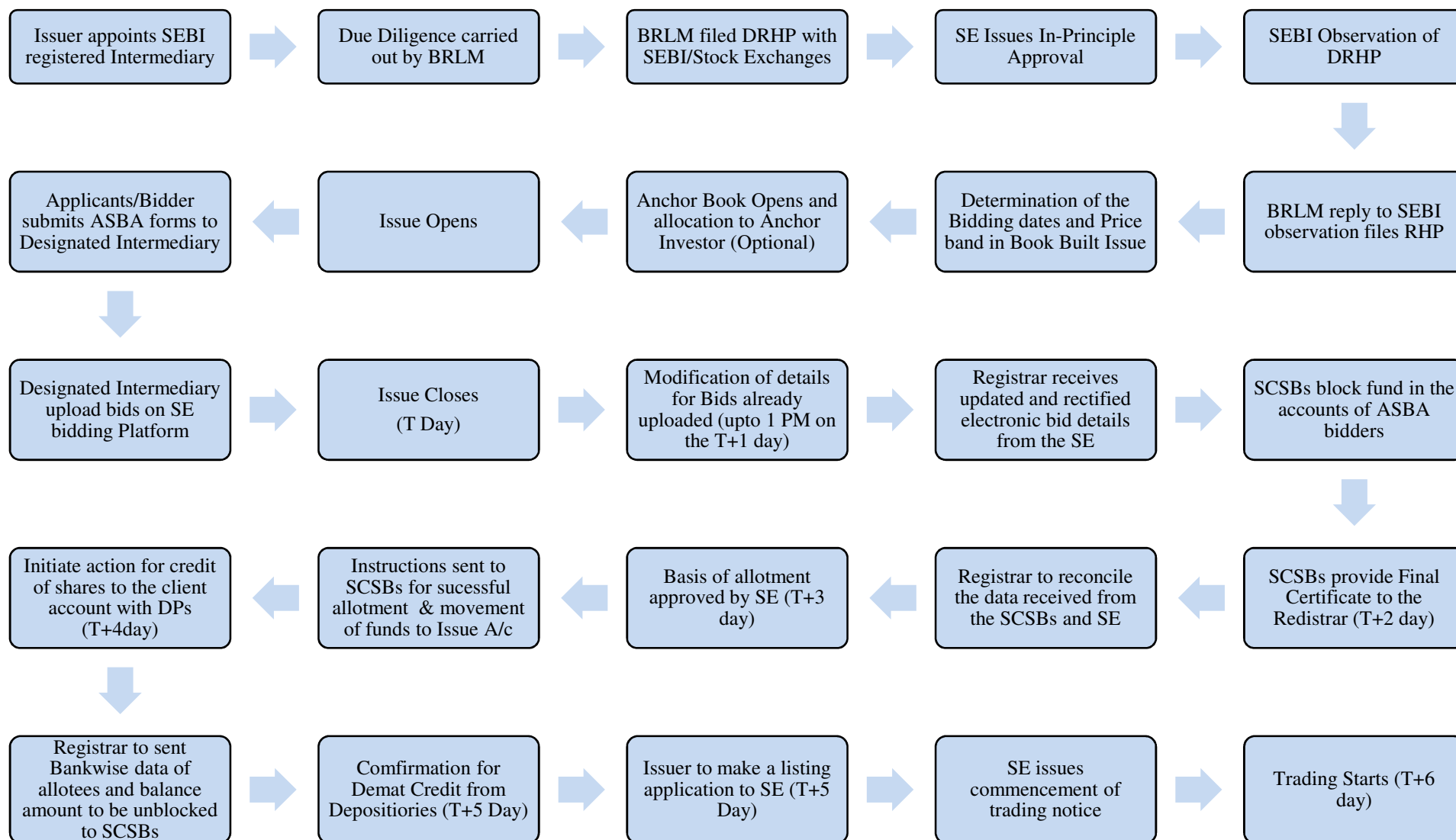
In case of a Book Built Issue, the Issuer may close the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date if disclosures to that effect are made in the RHP. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/Issue Period may be extended by at least three Working Days, subject to the total Bid/Issue Period not exceeding 10 Working Days.

For details of any revision of the Floor Price or Price Band, Bidders/Applicants may check the announcements made by the Issuer on the websites of the Stock Exchanges and the BRLM(s), and the advertisement in the newspaper(s) issued in this regard.

## 2.6 FLOWCHART OF TIMELINES

A flow chart of process flow in Fixed Price and Book Built Issues is as follows. Bidders/Applicants may note that this is not applicable for Fast Track FPOs:

- In case of Issue other than Book Built Issue (Fixed Price Issue) the process at the following of the below mentioned steps shall be read as:
  - i. Step 7: Determination of Issue Date and Price
  - ii. Step 10: Applicant submits Bid cum Application Form with Designated Intermediaries
  - iii. Step 11: SCSB uploads ASBA Application details in Stock Exchange Platform;
  - iv. Step 12: Issue period closes;
  - v. Step 15: Not Applicable.



### SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

**Each Bidder/Applicant should check whether it is eligible to apply under applicable law.** Furthermore, certain categories of Bidders/Applicants, such as NRIs, FIIs, FPIs and FVCIs may not be allowed to Bid/Apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.

Subject to the above, an illustrative list of Bidders/Applicants is as follows:

- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three);
- Bids/Applications belonging to an account for the benefit of a minor (under guardianship);
- Hindu Undivided Families or HUFs, in the individual name of the *Karta*. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: “Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*”. Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals;
- Companies, corporate bodies and societies registered under applicable law in India and authorised to invest in equity shares;
- QIBs;
- NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable law;
- Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations and other laws, as applicable);
- FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or foreign individual, bidding under the QIBs category;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals Bidding only under the Non Institutional Investors (“**NII**s”) category;
- FPIs other than Category III foreign portfolio investors, Bidding under the QIBs category;
- FPIs which are Category III foreign portfolio investors, Bidding under the NIIs category;
- Trusts/societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares;
- Scientific and/or industrial research organizations authorised in India to invest in the Equity Shares;
- Limited liability partnerships registered under the Limited Liability Partnership Act, 2008;
- Any other person eligible to Bid/Apply in the Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws; and
- As per the existing regulations, OCBs are not allowed to participate in an Issue.

### SECTION 4: APPLYING IN THE ISSUE

**Book Built Issue:** Bidders should only use the specified ASBA Form (or in case of Anchor Investors, the Anchor Investor Application Form) either bearing the stamp of a Designated Intermediary, as available or downloaded from the websites of the Stock Exchanges. Bid cum Application Forms are available with the book running lead manager, the Designated Intermediaries at the Bidding Centres and at the registered office of the Issuer. Electronic Bid cum Application Forms will be available on the websites of the Stock Exchanges at least one day prior to the Bid/Issue Opening Date. For further details, regarding availability of Bid cum Application Forms, Bidders may refer to the RHP/Prospectus.

**Fixed Price Issue:** Applicants should only use the Application Form bearing the stamp of the Designated Intermediary available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the Designated Branches of the SCSBs and at the Registered and Corporate Office of the Issuer. For further details, regarding availability of Application Forms, Applicants may refer to the Prospectus.

Bidders/Applicants should ensure that they apply in the appropriate category. The prescribed color of the Bid cum Application Form for various categories of Bidders/Applicants is as follows:

Category	Colour of Bid cum Application Form
Resident Indians including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents including FPIs, Eligible NRIs, FVCIs and registered bilateral and multilateral institutions applying on a repatriation basis	Blue
Anchor Investors	As specified by the Issuer

Securities issued in an IPO can only be in dematerialized form in accordance with Section 29 of the Companies Act, 2013. Bidders/Applicants will not have the option of getting the Allotment of specified securities in physical form. However, they may get the specified securities rematerialised subsequent to Allotment.

#### 4.1 INSTRUCTIONS FOR FILING THE BID CUM APPLICATION FORM/APPLICATION FORM

Bidders/Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the RHP and the Bid cum Application Form/Application Form are liable to be rejected.

Instructions to fill each field of the Bid cum Application Form can be found on the reverse side of the Bid cum Application Form. Specific instructions for filling various fields of the Resident Bid cum Application Form and Non-Resident Bid cum Application Form and samples are provided below.

The samples of the Bid cum Application Form for resident Bidders and the Bid cum Application Form for non-resident Bidders are reproduced below:

## Application Form – For Residents

<p style="writing-mode: vertical-rl; transform: rotate(180deg);">TEAR HERE</p>	<b>COMMON BID CUM APPLICATION FORM</b>	<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - R</b> Address : _____ Contact Details: _____ CIN No. _____	<b>FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS</b>																																																												
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">PLEASE FILL IN BLOCK LETTERS</p>	LOGO TO, THE BOARD OF DIRECTORS XYZ LIMITED	Bid cum Application Form No. _____ BOOK BUILT ISSUE ISIN : _____	PAN of Sole / First Bidder _____																																																												
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Amount paid (₹ in figures) _____ Bank & Branch _____ ASBA Bank A/c No. _____ Received from Mr./Ms. _____ Telephone / Mobile _____ Email _____		Stamp & Signature of Broker / SCSB / DP / RTA Name of Sole / First Bidder _____ Acknowledgement Slip for Bidder Bid cum Application Form No. _____																																																													



## Application Form – For Non – Resident

<p style="text-align: center;"><b>COMMON BID CUM APPLICATION FORM</b></p>	<p style="text-align: center;"><b>XYZ LIMITED - INITIAL PUBLIC ISSUE - NR</b></p> <p>Address : _____ Contact Details: _____ CIN No. _____</p>	<p style="text-align: center;"><b>FOR NON-RESIDENTS, INCLUDING ELIGIBLE NRIS, FPIs OR FVCIS, ETC APPLYING ON A REPATRIATION BASIS</b></p>																											
<p>LOGO</p>	<p>TO, THE BOARD OF DIRECTORS XYZ LIMITED</p>	<p style="text-align: center;"><b>BOOK BUILT ISSUE</b></p> <p>ISIN : _____</p>																											
		<p>Bid cum Application Form No. _____</p>																											
<p><b>SYNDICATE MEMBER'S STAMP &amp; CODE</b> <b>BROKER/SCSB/DP/RTA STAMP &amp; CODE</b></p>																													
<p><b>SUB-BROKER'S / SUB-AGENT'S STAMP &amp; CODE</b> <b>ESCROW BANK/SCSB BRANCH STAMP &amp; CODE</b></p>																													
<p><b>BANK BRANCH SERIAL NO.</b> <b>SCSB SERIAL NO.</b></p>																													
<p><b>1. NAME &amp; CONTACT DETAILS OF SOLE / FIRST BIDDER</b></p> <p>Mr. / Ms. _____</p> <p>Address _____</p> <p>Email _____</p> <p>Tel. No (with STD code) / Mobile _____</p>																													
<p><b>2. PAN OF SOLE / FIRST BIDDER</b></p> <p>_____</p>																													
<p><b>3. BIDDER'S DEPOSITORY ACCOUNT DETAILS</b> <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL</p> <p>For NSDL, enter 8 digit DP ID followed by 8 digit Client ID / For CDSL, enter 16 digit Client ID</p>																													
<p><b>4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")</b></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2">Bid Options</th> <th rowspan="2">No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)</th> <th colspan="3">Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)</th> <th rowspan="2">"Cut-off" (Please tick)</th> </tr> <tr> <th>Bid Price</th> <th>Retail Discount</th> <th>Net Price</th> </tr> </thead> <tbody> <tr> <td>Option 1</td> <td>8   7   6   5   4   3   2   1</td> <td>3   2   1</td> <td>3   2   1</td> <td>3   2   1</td> <td><input type="checkbox"/></td> </tr> <tr> <td>(OR) Option 2</td> <td></td> <td></td> <td></td> <td></td> <td><input type="checkbox"/></td> </tr> <tr> <td>(OR) Option 3</td> <td></td> <td></td> <td></td> <td></td> <td><input type="checkbox"/></td> </tr> </tbody> </table>			Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			"Cut-off" (Please tick)	Bid Price	Retail Discount	Net Price	Option 1	8   7   6   5   4   3   2   1	3   2   1	3   2   1	3   2   1	<input type="checkbox"/>	(OR) Option 2					<input type="checkbox"/>	(OR) Option 3					<input type="checkbox"/>
Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			"Cut-off" (Please tick)																								
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(OR) Option 3					<input type="checkbox"/>																								
<p><b>5. CATEGORY</b></p> <p><input type="checkbox"/> Retail Individual Bidder</p> <p><input type="checkbox"/> Non-Individual Bidder</p> <p><input type="checkbox"/> QIB</p>																													
<p><b>6. INVESTOR STATUS</b></p> <p><input type="checkbox"/> NRI Non-Resident Indian(s) (Repatriation basis)</p> <p><input type="checkbox"/> FII FII or Sub-account not a Corporate/Foreign Individual</p> <p><input type="checkbox"/> FISA FII Sub-account Corporate/Individual</p> <p><input type="checkbox"/> FVCI Foreign Venture Capital Investor</p> <p><input type="checkbox"/> FPI Foreign Portfolio Investor</p> <p><input type="checkbox"/> OTH Others (Please Specify) _____</p>																													
<p><b>7. PAYMENT DETAILS</b></p> <p>Amount paid (₹ in figures) _____ (₹ in words) _____</p> <p><b>PAYMENT OPTION : FULL PAYMENT <input type="checkbox"/> PART PAYMENT <input type="checkbox"/></b></p>																													
<p><b>ASBA</b></p> <p>Bank A/c No. _____</p> <p>Bank Name &amp; Branch _____</p>																													
<p><small>I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED AGREED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES (GID) AND HEREBY AGREE AND CONFIRM THE "BIDDERS UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.</small></p>																													
<p><b>8A. SIGNATURE OF SOLE / FIRST BIDDER</b></p> <p>Date : _____</p>		<p><b>8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)</b></p> <p>I/We authorize the SCSB to do all acts as are necessary to make the Application in the line</p> <p>1) _____</p> <p>2) _____</p> <p>3) _____</p>																											
<p><b>BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)</b></p>																													
TEAR HERE																													
<p>LOGO</p>		<p style="text-align: center;"><b>XYZ LIMITED</b></p> <p style="text-align: center;"><b>INITIAL PUBLIC ISSUE - NR</b></p>																											
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#### 4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/FIRST BIDDER/APPLICANT

- a. Bidders/Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.
- b. **Mandatory Fields:** Bidders/Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/mobile number fields are optional. Bidders/Applicants should note that the contact details mentioned in the Bid cum Application Form/Application Form may be used to dispatch communications in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Bid cum Application Form may be used by the Issuer, the Designated Intermediaries and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.
- c. **Joint Bids/Applications:** In the case of Joint Bids/Applications, the Bids/Applications should be made in the name of the Bidder/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 Bidder/Applicant would be required in the Bid cum Application Form/Application Form and such first Bidder/Applicant would be deemed to have signed on behalf of the joint holders.
- d. **Impersonation:** Attention of the Bidders/Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

*“Any person who:*

- *makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- *makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- *otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”*

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

- e. **Nomination Facility to Bidder/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 Bidders/Applicants should inform their respective DP.

#### 4.1.2 FIELD NUMBER 2: PAN OF SOLE/FIRST BIDDER/APPLICANT

- a) PAN (of the sole/first Bidder/Applicant) provided in the Bid cum Application Form/Application Form should be exactly the same as the PAN of the person in whose sole or first name the relevant beneficiary account is held as per the Depositories' records.
- b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Bids/Applications on behalf of the Central or State Government, Bids/Applications by officials appointed by the courts and Bids/Applications by Bidders/Applicants residing in Sikkim (“PAN Exempted Bidders/Applicants”). Consequently, all Bidders/Applicants, other than the PAN Exempted Bidders/Applicants, are required to disclose their PAN in the Bid cum Application Form/Application Form, irrespective of the Bid/Application Amount. Bids/Applications by the Bidders/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 Bidders/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) Bid cum Application Forms which provide the General Index Register Number instead of PAN may be rejected.
- e) Bids/Applications by Bidders/Applicants whose demat accounts have been ‘suspended for credit’ are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as “Inactive demat accounts” and Demographic Details are not provided by depositories.

#### 4.1.3 FIELD NUMBER 3: BIDDERS/APPLICANTS DEPOSITORY ACCOUNT DETAILS

- a. Bidders/Applicants should ensure that DP ID and the Client ID are correctly filled in the Bid cum Application Form/Application Form. The DP ID and Client ID provided in the Bid cum Application Form/Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Bid cum Application Form/Application Form is liable to be rejected.**
- b. Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form/Application Form is active.
- c. Bidders/Applicants should note that on the basis of the PAN, DP ID and Client ID as provided in the Bid cum Application Form/Application Form, the Bidder/Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Bidder/Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for sending allocation advice or unblocking of ASBA Account or for any other correspondence(s) related to an Issue.
- d. Bidders/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 Bidders/Applicants’ sole risk.

#### 4.1.4 FIELD NUMBER 4: BID OPTIONS

- a. Price or Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) may be disclosed in the Prospectus/RHP by the Issuer. The Issuer is required to announce the Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) by way of an advertisement in at least one English, one Hindi and one regional newspaper, with wide circulation, at least five Working Days before Bid/Issue Opening Date in case of an IPO, and at least one Working Day before Bid/Issue Opening Date in case of an FPO.
- b. The Bidders may Bid at or above Floor Price or within the Price Band for IPOs/FPOs undertaken through the Book Building Process. In the case of Alternate Book Building Process for an FPO, the Bidders may Bid at Floor Price or any price above the Floor Price (For further details Bidders may refer to (Section 5.6 (e))
- c. **Cut-Off Price:** Retail Individual Investors or Employees or Retail Individual Shareholders can Bid at the Cut-off Price indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.
- d. **Minimum Application Value and Bid Lot:** The Issuer in consultation with the BRLM may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹ 10,000 to ₹ 15,000. The minimum Bid Lot is accordingly determined by an Issuer on basis of such minimum application value.



- e. **Allotment:** The Allotment of specified securities to each RII shall not be less than the minimum Bid Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be Allotted on a proportionate basis. For details of the Bid Lot, Bidders may refer to the RHP/Prospectus or the advertisement regarding the Price Band published by the Issuer.

#### 4.1.4.1 Maximum and Minimum Bid Size

- a. The Bidder may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Investors must be for such number of shares so as to ensure that the Bid Amount, payable by the Bidder does not exceed ₹ 200,000. In case the Bid Amount exceeds ₹ 200,000 due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Category, then such Bid may be rejected if it is at the Cut-off Price.
- b. For NRIs, a Bid Amount of up to ₹ 200,000 may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding ₹ 200,000 may be considered under the Non-Institutional Category for the purposes of allocation.
- c. Bids by QIBs and NIIs must be for such minimum number of shares such that the Bid Amount exceeds ₹ 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form and the RHP/Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Investors and QIBs are not allowed to Bid at Cutoff Price.
- d. In case the Bid Amount reduces to ₹ 200,000 or less due to a revision of the Price Band, Bids by the Non-Institutional Investors who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.
- e. For Anchor Investors, if applicable, the Bid Amount shall be least ₹ 10 crores. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. Bids by various schemes of a Mutual Fund shall be aggregated to determine the Bid Amount. A Bid cannot be submitted for more than 60% of the QIB Category under the Anchor Investor Portion. Anchor Investors cannot withdraw their Bids or lower the size of their Bids (in terms of quantity of Equity Shares or the price) at any stage after the Anchor Investor Bid/Issue Period and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor Issue Price is lower than the Issue Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Issue Price is lower than the Anchor Investor Issue Price, the amount in excess of the Issue Price paid by the Anchor Investors shall not be refunded to them.
- f. A Bid cannot be submitted for more than the Issue size.
- g. The maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under the applicable laws.
- h. The price and quantity options submitted by the Bidder in the Bid cum Application Form may be treated as optional bids from the Bidder and may not be cumulated. After determination of the Issue Price, the number of Equity Shares Bid for by a Bidder at or above the Issue Price may be considered for Allotment and the rest of the Bid(s), irrespective of the Bid Amount may automatically become invalid. This is not applicable in case of FPOs undertaken through Alternate Book Building Process (For details of Bidders may refer to (Section 5.6 (e))
- i. RII may revise or withdraw their bids until Bid/Issue Closing Date. QIBs and NII's cannot withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after Bidding and are required to pay the Bid Amount upon submission of the Bid.
- j. RII may revise/withdraw their bids till closure of the bidding period. QIBs and NII's cannot withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after bidding and are required to pay the Bid Amount upon submission of the Bid.

#### 4.1.4.2 Multiple Bids

- a. Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of three Bids at different price levels in the Bid cum Application Form and such options are not considered as multiple Bids.

Submission of a second Bid cum Application Form to either the same or to another Designated Intermediary (ies) and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

- b. Bidders are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple Bids:
  - i. All Bids may be checked for common PAN as per the records of the Depository. For Bidders other than Mutual Funds and FII sub-accounts, Bids bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected.
  - ii. For Bids from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Bidders, the Bid cum Application Forms may be checked for common DP ID and Client ID. Such Bids which have the same DP ID and Client ID may be treated as multiple Bids and are liable to be rejected.
- c. The following Bids may not be treated as multiple Bids:
  - i. Bids by Reserved Categories Bidding in their respective Reservation Portion as well as bids made by them in the Issue portion in public category.
  - ii. Separate Bids by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Bids clearly indicate the scheme for which the Bid has been made.
  - iii. Bids by Mutual Funds, and sub-accounts of FIIs (or FIIs and its subaccounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.
  - iv. Bids by Anchor Investors under the Anchor Investor Portion and the QIB Category.

#### 4.1.5 FIELD NUMBER 5: CATEGORY OF BIDDERS

- a. The categories of Bidders identified as per the SEBI ICDR Regulations for the purpose of Bidding, allocation and Allotment in the Issue are RIIs, NIIs and QIBs.
- b. Up to 60% of the QIB Category can be allocated by the Issuer, on a discretionary basis subject to the criteria of minimum and maximum number of Anchor Investors based on allocation size, to the Anchor Investors, in accordance with SEBI ICDR Regulations, with one- third of the Anchor Investor Portion reserved for domestic Mutual Funds subject to valid Bids being received at or above the Issue Price. For details regarding allocation to Anchor Investors, Bidders may refer to the RHP/Prospectus.
- c. An Issuer can make reservation for certain categories of Bidders/Applicants as permitted under the SEBI ICDR Regulations. For details of any reservations made in the Issue, Bidders/Applicants may refer to the RHP/Prospectus.
- d. The SEBI ICDR Regulations, specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation Bidder/Applicant may refer to the RHP/Prospectus.

#### 4.1.6 FIELD NUMBER 6: INVESTOR STATUS

- a. Each Bidder/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 Bidders/Applicants, such as NRIs, FPIs and FVCIs may not be allowed to Bid/Apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.
- c. Bidders/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 Bid cum Application Form and Non-Resident Bid cum Application Form.
- d. Bidders/Applicants should ensure that their investor status is updated in the Depository records.

#### 4.1.7 FIELD NUMBER 7: PAYMENT DETAILS

- a. The full Bid Amount shall be blocked based on the authorisation provided in the Bid cum Application Form. If Discount is applicable in the Issue, the RIIs should indicate the full Bid Amount in the Bid cum Application Form and the funds shall be blocked for the Bid Amount net of Discount. Only in cases where the RHP/Prospectus indicates that part payment may be made, such an option can be exercised by the Bidder. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less Discount offered, if any.
- b. Bid Amount for Bidders who Bid at Cut-off Price shall be blocked based on the Cap Price.
- c. All Bidders (except Anchor Investors) can participate in the Issue only through the ASBA mechanism.
- d. Bid Amount cannot be paid in cash, cheques or demand draft through money order or through postal order.

##### 4.1.7.1 Instructions for Anchor Investors:

- a. Anchor Investors may submit their Bids with a Book Running Lead Manager.
- b. Payments should be made either by RTGS or NEFT.
- c. The Anchor Escrow Bank shall maintain the monies in the Anchor Escrow Account for and on behalf of the Anchor Investors until the Designated Date.

##### 4.1.7.2 Payment instructions for Bidders (other than Anchor Investors)

- a. Bidders may submit the Bid cum Application Form either
  - i. in electronic mode through the internet banking facility offered by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the Bid cum Application Form, or
  - ii. in physical mode to any Designated Intermediary(ies).
- b. Bidders must specify the Bank Account number in the Bid cum Application Form. The Bid cum Application Form submitted by Bidder and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, may not be accepted.
- c. Bidders should ensure that the Bid cum Application Form is also signed by the ASBA Account holder(s) if the Bidder is not the ASBA Account holder;

- d. Bidders shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.
- e. From one ASBA Account, a maximum of five Bids cum Application Forms can be submitted.
- f. **Bidders bidding through a member of the Syndicate** should ensure that the Bid cum Application Form is submitted to a member of the Syndicate only at the Specified Locations. Bidders should also note that Bid cum Application Forms submitted to the Syndicate at the Specified Locations may not be accepted by the member of the Syndicate if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for the members of the Syndicate to deposit Bid cum Application Forms (a list of such branches is available on the website of SEBI at [www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes)).
- g. **Bidders bidding through a Registered Broker, RTA or CDP** should note that Bid cum Application Forms submitted to them may not be accepted, if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for the Registered Brokers, RTA or CDP, as the case may be, to deposit Bid cum Application Forms.
- h. Bidders bidding directly through the SCSBs should ensure that the Bid cum Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- i. Upon receipt of the Bid cum Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form.
- j. If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and for application directly submitted to SCSB by investor, may enter each Bid option into the electronic bidding system as a separate Bid.
- k. If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Bids on the Stock Exchange platform and such bids are liable to be rejected.
- l. Upon submission of a completed Bid cum Application Form each Bidder may be deemed to have agreed to block the entire Bid Amount and authorized the Designated Branch of the SCSB to block the Bid Amount specified in the Bid cum Application Form in the ASBA Account maintained with the SCSBs.
- m. The Bid Amount may remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Bid, as the case may be.
- n. SCSBs bidding in the Issue must apply through an Account maintained with any other SCSB; else their Bids are liable to be rejected.

#### 4.1.7.2.1 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 Bid, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, (iv) the amount to be unblocked, if any, in case of partial allotments, and (v) details of rejected Bids, if any, along with reasons for rejection and details of withdrawn or unsuccessful Bids, if any, to enable the SCSBs to unblock the respective bank accounts.

- (b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful Bidder to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.
- (c) In the event of withdrawal or rejection of the Bid cum Application Form and for unsuccessful Bids, the Registrar to the Issue may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within six Working Days of the Bid/Issue Closing Date.

#### 4.1.7.3 Additional Payment Instructions for NRIs

The Non-Resident Indians who intend to make payment through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of Bids by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account

#### 4.1.7.4 Discount (if applicable)

- (a) The Discount is stated in absolute rupee terms.
- (b) Bidders applying under RII category, Retail Individual Shareholder and employees are only eligible for discount. For Discounts offered in the Issue, Bidders may refer to the RHP/Prospectus.
- (c) The Bidders entitled to the applicable Discount in the Issue may block an amount i.e. the Bid Amount less Discount (if applicable).

Bidder may note that in case the net amount blocked (post Discount) is more than two lakh Rupees, the Bidding system automatically considers such applications for allocation under Non-Institutional Category. These applications are neither eligible for Discount nor fall under RII category.

#### 4.1.8 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS

- a. Only the First Bidder/ Applicant is required to sign the Bid cum Application Form/ Application Form. Bidders/ 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 Bidder/Applicant., then the Signature of the ASBA Account holder(s) is also required.
- c. The signature has to be correctly affixed in the authorisation/undertaking box in the Bid cum Application Form/Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form/Application Form.
- d. Bidders/Applicants must note that Bid cum Application Form/Application Form without signature of Bidder/Applicant and/or ASBA Account holder is liable to be rejected.

#### 4.1.9 ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

- (a) Bidders should ensure that they receive the Acknowledgement Slip duly signed and stamped by the Designated Intermediary(ies), as applicable, for submission of the Bid cum Application Form. Applicants should ensure that they receive the acknowledgment duly signed and stamped by a SCSB, for submission of the Bid cum Application Form.
- (b) All communications in connection with Bids/Applications made in the Issue may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the Bid cum Application Form was submitted.

(c) The Bidder should give full details such as:

- i. full name of the sole or first Bidder/Applicant, Bid cum Application Form number, Applicants'/Bidders' DP ID, Client ID, PAN, date of the submission of the Bid cum Application Form, address of the Bidder, number of Equity Shares applied for;
- ii. name and address of the Designated Intermediary(ies), where the Bid cum Application Form was submitted by the Bidder;
- iii. In case of Bids other than from Anchor Investors, ASBA Account number in which the amount equivalent to the Bid Amount was blocked; or
- iv. In case of Anchor Investor bids, the unique transaction reference (UTR) number and the name of the relevant bank thereof.

(d) Further, the Investor should also enclose a copy of the Acknowledgment Slip duly received from the Designated Intermediaries in addition to the information mentioned hereinabove. For further details, Bidder/Applicant may refer to the RHP/Prospectus and the Bid cum Application Form.

#### **4.2 INSTRUCTIONS FOR FILING THE REVISION FORM**

- a. During the Bid/Issue Period, any Bidder/Applicant (other than QIBs and NIIs, who can only revise their bid upwards) who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the Revision Form, which is a part of the Bid cum Application Form.
- b. RII may revise their bids or withdraw their Bids till the Bid/Issue Close Date.
- c. Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form.
- d. The Bidder/Applicant can make this revision any number of times during the Bid/Issue Period. However, for any revision(s) in the Bid, the Bidders/Applicants will have to use the services of the same Designated Intermediary through which such Bidder/Applicant had placed the original Bid. Bidders/Applicants are advised to retain copies of the blank Revision Form and the Bid(s) must be made only in such Revision Form or copies thereof.

A sample revision form is reproduced below:



<b>COMMON BID REVISION FORM</b>	<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - R</b>		<b>FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs, AND ELIGIBLE NRI, APPLYING ON A NON-REPATRIATION BASIS</b>	
	Address : _____ Contact Details: _____ CIN No. _____		Bid cum Application Form No. _____	
LOGO	TO, THE BOARD OF DIRECTORS XYZ LIMITED		BOOK BUILT ISSUE ISIN : _____	
TEAR HERE				
SYNDICATE MEMBER'S STAMP & CODE		BROKER/SCSB/DP/RTA STAMP & CODE		1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER
				Mr./Ms. _____
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE		ESCROW BANK/SCSB BRANCH STAMP & CODE		Address _____
				Tel. No. (with STD code) / Mobile _____ Email _____
BANK BRANCH SERIAL NO.		SCSB SERIAL NO.		2. PAN OF SOLE / FIRST BIDDER
				_____
				3. BIDDER'S DEPOSITORY ACCOUNT DETAILS
				For NSDL, enter 8 digit DP ID followed by 8 digit Client ID / For CDSL, enter 16 digit Client ID
PLEASE CHANGE MY BID				
4. FROM (AS PER LAST BID OR REVISION)				
Bid Options		No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (In Figure)		Price per Equity Share (₹) "Cut-off" (Price in multiples of ₹ 1/- only) (In Figure)
		8 7 6 5 4 3 2 1		Bid Price Retail Discount Net Price "Cut-off" (Please tick)
Option 1				
(OR) Option 2				
(OR) Option 3				
5. TO (Revised Bid) (Only Retail Individual Bidders can Bid at "Cut-off")				
Bid Options		No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (In Figure)		Price per Equity Share (₹) "Cut-off" (Price in multiples of ₹ 1/- only) (In Figure)
		8 7 6 5 4 3 2 1		Bid Price Retail Discount Net Price "Cut-off" (Please tick)
Option 1				
(OR) Option 2				
(OR) Option 3				
6. PAYMENT DETAILS				
Additional Amount Paid (₹ in figure) _____ ₹ in words) _____				
PAYMENT OPTION : FULL PAYMENT <input type="checkbox"/> PART PAYMENT <input type="checkbox"/>				
ASBA Bank A/c No. _____				
Bank Name & Branch _____				
I/WE HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THE BID AND I/WE HAVE AGREED TO THE GENERAL INFORMATION DOCUMENT FOR INITIAL PUBLIC ISSUE (GID) AND I/WE HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID REVISION FORM ON COVER LEAF.				
7A. SIGNATURE OF SOLE / FIRST BIDDER		7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS)		BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
Date : _____		I/We authorize the SCSB to deal with all necessary matters in the Application in the line: 1) _____ 2) _____ 3) _____		
TEAR HERE				
LOGO		<b>XYZ LIMITED</b> BID REVISION FORM - INITIAL PUBLIC ISSUE - R		Acknowledgement Slip for Broker/SCSB/ DP/RTA
				Bid cum Application Form No. _____
DPID / CLID		PAN of Sole / First Bidder		
Additional Amount Paid (₹)		Bank & Branch		Stamp & Signature of SCSB Branch
ASBA Bank A/c No.		Received from Mr./Ms. _____		Stamp & Signature of SCSB Branch
Telephone / Mobile		Email		
TEAR HERE				
XYZ LIMITED - BID REVISION FORM - INITIAL PUBLIC ISSUE - R		Option 1 Option 2 Option 3		Stamp & Signature of Broker / SCSB / DP / RTA
No. of Equity Shares		Bid Price		Name of Sole / First Bidder
Additional Amount Paid (₹)		ASBA Bank A/c No. _____		Acknowledgement Slip for Bidder
Bank & Branch		Bid cum Application Form No. _____		

Instructions to fill each field of the Revision Form can be found on the reverse side of the Revision Form. 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:

#### 4.2.1 FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT

Bidders/Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

#### 4.2.2 FIELD 4 & 5: BID OPTIONS REVISION 'FROM' AND 'TO'

- (a) Apart from mentioning the revised options in the Revision Form, the Bidder/Applicant must also mention the details of all the bid options given in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder/Applicant has Bid for three options in the Bid cum Application Form and such Bidder/Applicant is changing only one of the options in the Revision Form, the Bidder/Applicant must still fill the details of the other two options that are not being revised, in the Revision Form. The Designated Intermediaries may not accept incomplete or inaccurate Revision Forms.
- (b) In case of revision, Bid options should be provided by Bidders/Applicants in the same order as provided in the Bid cum Application Form.
- (c) In case of revision of Bids by RIIs, Employees and Retail Individual Shareholders, such Bidders/Applicants should ensure that the Bid Amount, subsequent to revision, does not exceed ₹ 200,000. In case the Bid Amount exceeds ₹ 200,000 due to revision of the Bid or for any other reason, the Bid may be considered, subject to eligibility, for allocation under the Non-Institutional Category, not being eligible for Discount (if applicable) and such Bid may be rejected if it is at the Cut-off Price. The Cut-off Price option is given only to the RIIs, Employees and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process.
- (d) In case the total amount (i.e., original Bid Amount plus additional payment) exceeds ₹ 200,000, the Bid will be considered for allocation under the Non-Institutional Category in terms of the RHP/Prospectus. If, however, the RII does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid, where possible shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised Bid at Cut-off Price.
- (e) In case of a downward revision in the Price Band, RIIs and Bids by Employees under the Reservation Portion, who have bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of Bidding will be unblocked after the allotment is finalised.

#### 4.2.3 FIELD 6: PAYMENT DETAILS

- (a) All Bidders/Applicants are required to authorize that the full Bid Amount (less Discount (if applicable) is blocked. In case of Bidders/Applicants specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less discount offered, if any.
- (b) Bidder/Applicant may issue instructions to block the revised amount based on cap of the revised Price Band (adjusted for the Discount (if applicable) in the ASBA Account, to the same Designated Intermediary through whom such Bidder/Applicant had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.
- (c) In case the total amount (i.e., original Bid Amount less discount (if applicable) plus additional payment) exceeds ₹ 200,000, the Bid may be considered for allocation under the Non- Institutional Category in terms of the RHP/Prospectus. If, however, the Bidder/Applicant does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for, where possible, may be adjusted downwards for the purpose of Allotment, such that additional amount is blocked and the Bidder/Applicant is deemed to have approved such revised Bid at the Cut-off Price.
- (d) In case of a downward revision in the Price Band, RIIs, Employees and Retail Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked after the basis of allotment.



#### 4.2.4 FIELDS 7: SIGNATURES AND ACKNOWLEDGEMENTS

Bidders/Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

### 4.3 INSTRUCTIONS FOR FILING APPLICATION FORM IN ISSUES MADE OTHER THAN THROUGH THE BOOK BUILDING PROCESS (FIXED PRICE ISSUE)

#### 4.3.1 FIELDS 1, 2, 3 NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

#### 4.3.2 FIELD 4: PRICE, APPLICATION QUANTITY & AMOUNT

- (a) The Issuer may mention Price or Price Band in the Red Herring Prospectus. However, a prospectus registered with RoC contains one price or coupon rate (as applicable).
- (b) **Minimum Application Value and Bid Lot:** The Issuer in consultation with the Lead Manager to the Issue (LM) may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹ 10,000 to ₹ 15,000. The minimum Lot size is accordingly determined by an Issuer on basis of such minimum application value.
- (c) Applications by RIIs, Employees and Retail Individual Shareholders, must be for such number of shares so as to ensure that the application amount payable does not exceed ₹ 200,000.
- (d) Applications by other investors must be for such minimum number of shares such that the application amount exceeds ₹ 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the application form and the Prospectus, or as advertised by the Issuer, as the case may be.
- (e) An application cannot be submitted for more than the Issue size.
- (f) The maximum application by any Applicant should not exceed the investment limits prescribed for them under the applicable laws.
- (g) **Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or other SCSB and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.
- (h) 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 FII sub-accounts, Bids bearing the same PAN may be treated as multiple applications by a Bidder/Applicant and may be rejected.
  - (ii) For applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids 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.
- (i) The following applications may not be treated as multiple Bids:
  - (i) Applications by Reserved Categories in their respective reservation portion as well as that made by them in the 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 Bid has been made.

- (iii) Applications by Mutual Funds, and sub-accounts of FIIs (or FIIs and its subaccounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

#### 4.3.3 FIELD NUMBER 5: CATEGORY OF APPLICANTS

- (a) The categories of applicants identified as per the SEBI ICDR Regulations, 2009 for the purpose of Bidding, 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. For details of any reservations made in the Issue, applicants may refer to the Prospectus.
- (c) The SEBI ICDR Regulations specify the allocation or Allotment that may be made to various categories of applicants in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation applicant may refer to the Prospectus.

#### 4.3.4 FIELD NUMBER 6: INVESTOR STATUS

Applicants should refer to instructions contained in paragraphs 4.1.6.

#### 4.3.5 FIELD 7: PAYMENT DETAILS

- (a) All Applicants (other than Anchor Investors) are required to make use ASBA for applying in the Issue.
- (b) Application Amount cannot be paid in cash, through money order, cheques or demand drafts through postal order or through stock invest.

##### 4.3.5.1 Payment instructions for Applicants

- (a) Applicants may submit the Application Form in physical mode to the Designated Intermediaries.
- (b) Applicants must specify only such bank account number maintained with an SCSB in the Bid cum Application Form. The Application Form submitted by an Applicant and which is accompanied by cash, demand draft, money order, cheque, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, will not be accepted.
- (c) Applicants should ensure that the Application Form is also signed by the ASBA Account holder(s) if the Applicant is not the ASBA Account holder;
- (d) Applicants shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.
- (e) From one ASBA Account, a maximum of five Bids cum Application Forms can be submitted.
- (f) Applicants bidding directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- (g) Upon receipt of the Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.
- (h) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form and may upload the details on the Stock Exchange Platform.
- (i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Applications on the Stock Exchange platform and such Applications are liable to be rejected.
- (j) Upon submission of a completed Application Form each Applicant may be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs.
- (k) The Application Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Application, as the case may be.

- (l) SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB; else their Applications are liable to be rejected.

#### 4.3.5.2 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 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 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 six Working Days of the Issue Closing Date.

#### 4.3.5.3 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).

#### 4.3.6 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS & ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

Applicants should refer to instructions contained in paragraphs 4.1.8 & 4.1.9.

#### 4.4 SUBMISSION OF BID CUM APPLICATION FORM/REVISION FORM/APPLICATION FORM

##### 4.4.1 Bidders/Applicants may submit completed Bid cum application form/Revision Form in the following manner:-

Mode of Application	Submission of Bid cum Application Form
Anchor Investors Application Form	To the Book Running Lead Manager at the Specified Locations mentioned in the Anchor Investor Application Form
All Applications (other than Anchor Investors)	(a) To members of the Syndicate in the Specified Locations or Registered Brokers at the Broker Centres or the RTAs at the Designated RTA Locations or the CDPs at the Designated C DP Locations (b) To the Designated Branches of the SCSBs where the ASBA Account is maintained

- (a) Bidders/Applicants should submit the Revision Form to the same Designated Intermediary through which such Bidder/Applicant had placed the original Bid.
- (b) Upon submission of the Bid cum Application Form, the Bidder/Applicant will be deemed to have authorized the Issuer to make the necessary changes in the RHP and the Bid cum Application Form as would be required for filing Prospectus with the RoC and as would be required by the RoC after such filing, without prior or subsequent notice of such changes to the relevant Bidder/Applicant.

- (c) Upon determination of the Issue Price and filing of the Prospectus with the RoC, the Bid cum Application Form will be considered as the application form.

## **SECTION 5: ISSUE PROCEDURE IN BOOK BUILT ISSUE**

Book Building, in the context of the Issue, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Issue Price based on the Bids received as detailed in Schedule XI of SEBI ICDR Regulations. The Issue Price is finalised after the Bid/Issue Closing Date. Valid Bids received at or above the Issue Price are considered for allocation in the Issue, subject to applicable regulations and other terms and conditions.

### **5.1 SUBMISSION OF BIDS**

- (a) During the Bid/Issue Period, Bidders/Applicants may approach any of the Designated Intermediaries to register their Bids. Anchor Investors who are interested in subscribing for the Equity Shares should approach Book Running Lead Manager, to register their Bid.
- (b) In case of Bidders/Applicants (excluding NIIs and QIBs) Bidding at Cut-off Price, the Bidders/Applicants may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).
- (c) For details of the timing on acceptance and upload of Bids in the Stock Exchanges Platform Bidders/Applicants are requested to refer to the RHP.

### **5.2 ELECTRONIC REGISTRATION OF BIDS**

- (a) The Designated Intermediary(ies) may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the issue.
- (b) On the Bid/Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges.
- (c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 pm on the day following the Bid/Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Issue Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

### **5.3 BUILD UP OF THE BOOK**

- (a) Bids received from various Bidders/Applicants through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchanges' on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid/Issue Period.
- (b) Based on the aggregate demand and price for Bids registered on the Stock Exchanges Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchanges may be made available at the Bidding centres during the Bid/Issue Period.

### **5.4 WITHDRAWAL OF BIDS**

- (a) RIIs can withdraw their Bids until Bid/Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid/Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- (b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

## 5.5 REJECTION & RESPONSIBILITY FOR UPLOAD OF BIDS

- (a) The Designated Intermediaries are individually responsible for the acts, mistakes or errors or omission in relation to:
  - the Bids accepted by the Designated Intermediaries,
  - the Bids uploaded by the Designated Intermediaries, and
  - the Bid cum application forms accepted but not uploaded by the Designated Intermediaries.
- (b) The BRLM and their affiliate Syndicate Members, as the case may be, may reject Bids if all the information required is not provided and the Bid cum Application Form is incomplete in any respect.
- (c) The SCSBs shall have no right to reject Bids, except in case of unavailability of adequate funds in the ASBA account or on technical grounds.
- (d) In case of QIB Bidders, only the (i) SCSBs (for Bids other than the Bids by Anchor Investors); and (ii) BRLM and their affiliate Syndicate Members (only in the Specified Locations) have the right to reject bids. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing.
- (e) All bids by QIBs, NIIs & RIIs Bids can be rejected on technical grounds listed herein.

### 5.5.1 GROUNDS FOR TECHNICAL REJECTIONS

Bid cum Application Forms/Application Forms can be rejected on the below mentioned technical grounds either at the time of their submission to any of the Designated Intermediaries, or at the time of finalisation of the Basis of Allotment. Bidders/Applicants are advised to note that the Bids/Applications are liable to be rejected, inter-alia, on the following grounds, which have been detailed at various places in this GID:-

- (a) Bid/Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);
- (b) Bids/Applications of Bidders (other than Anchor Investors) accompanied by cash, draft, cheques, money order or any other mode of payment other than amounts blocked in the Bidders' ASBA Account maintained with an SCSB;
- (c) Bids/Applications by OCBs;
- (d) In case of partnership firms, Bid/Application for Equity Shares made in the name of the firm. However, a limited liability partnership can apply in its own name;
- (e) In case of Bids/Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents not being submitted along with the Bid cum Application Form/Application Form;
- (f) Bids/Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- (g) Bids/Applications by persons in the United States excluding persons who are a U.S. QIB (as defined in this Red Herring Prospectus);
- (h) Bids/Applications by any person outside India if not in compliance with applicable foreign and Indian laws;
- (i) PAN not mentioned in the Bid cum Application Form/Application Form, except for Bids/Applications by or on behalf of the Central or State Government and officials appointed by the court and by the investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participant;
- (j) In case no corresponding record is available with the Depositories that matches the DPID, the Client ID and the PAN;
- (k) Bids/Applications for lower number of Equity Shares than the minimum specified for that category of investors;
- (l) Bids/Applications at a price less than the Floor Price and Bids/Applications at a price more than the Cap Price;
- (m) Bids/Applications at Cut-off Price by NIIs and QIBs;
- (n) The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- (o) Bids/Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- (p) Submission of more than five Bid cum Application Forms/Application Form as through a single ASBA Account;

- (q) Bids/Applications for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the RHP;
- (r) Multiple Bids/Applications as defined in this GID and the RHP/Prospectus;
- (s) Bid cum Application Forms/Application Forms are not delivered by the Bidders/Applicants within the time prescribed as per the Bid cum Application Forms/Application Form, Bid/Issue Opening Date advertisement and as per the instructions in the RHP and the Bid cum Application Forms;
- (t) Bank account mentioned in the Bid cum Application Form not being an account maintained with an SCSB. Inadequate funds in the bank account to block the Bid/Application Amount specified in the Bid cum Application Form/Application Form at the time of blocking such Bid/Application Amount in the bank account;
- (u) In case of Anchor Investors, Bids/Applications where sufficient funds are not available in Anchor Escrow Accounts as per final certificate from the Anchor Escrow Bank;
- (v) Where no confirmation is received from SCSB for blocking of funds;
- (w) Bids/Applications by Bidders (other than Anchor Investors) not submitted through ASBA process;
- (x) Bids/Applications submitted at locations other than the Specified Locations and Bid cum Application Forms/Application Forms, under the ASBA process, submitted to the Anchor Escrow Bank (assuming that such bank is not a SCSB where the ASBA Account is maintained), to the issuer or the Registrar to the Issue;
- (y) Bids/Applications not uploaded on the terminals of the Stock Exchanges; and
- (z) Bids/Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form.

## 5.6 BASIS OF ALLOCATION

- (a) The SEBI ICDR Regulations specify the allocation or Allotment that may be made to various categories of Bidders/Applicants in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP/Prospectus. For details in relation to allocation, the Bidder/Applicant may refer to the RHP/Prospectus.
- (b) Under-subscription in any category (except QIB Category) is allowed to be met with spillover from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.
- (c) In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders/Applicants may refer to the RHP.
- (d) **Illustration of the Book Building and Price Discovery Process**

*Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors.*

Bidders can bid at any price within the price band. For instance, assume a price band of ₹ 20 to ₹ 24 per share, issue size of 3,000 equity shares and receipt of five bids from bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the equity shares of the issuer at various prices and is collated from bids received from various investors.

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to offer the desired number of equity shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The



Issuer, in consultation with the book running lead manager, will finalise the issue price at or below such cut-off price, i.e., at or below ₹ 22.00. All bids at or above this issue price and cut-off bids are valid bids and are considered for allocation in the respective categories.

**(e) Alternate Method of Book Building**

In case of FPOs, Issuers may opt for an alternate method of Book Building in which only the Floor Price is specified for the purposes of Bidding (“**Alternate Book Building Process**”). The Issuer may specify the Floor Price in the RHP or advertise the Floor Price at least one Working Day prior to the Bid/Issue Opening Date. QIBs may Bid at a price higher than the Floor Price and the Allotment to the QIBs is made on a price priority basis. The Bidder with the highest Bid Amount is allotted the number of Equity Shares Bid for and then the second highest Bidder is Allotted Equity Shares and this process continues until all the Equity Shares have been allotted. RIIs, NIIs and Employees are Allotted Equity Shares at the Floor Price and Allotment to these categories of Bidders is made proportionately. If the number of Equity Shares Bid for at a price is more than available quantity then the Allotment may be done on a proportionate basis. Further, the Issuer may place a cap either in terms of number of specified securities or percentage of issued capital of the Issuer that may be Allotted to a single Bidder, decide whether a Bidder be allowed to revise the bid upwards or downwards in terms of price and/or quantity and also decide whether a Bidder be allowed single or multiple bids.

## **SECTION 6: ISSUE PROCEDURE IN FIXED PRICE ISSUE**

**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 the Designated Intermediary(ies).

Applicants may submit an Application Form either in physical form to any of the Designated Intermediaries or in the electronic form to the SCSB or the Designated Branches of the SCSBs authorising blocking of funds that are available in the bank account specified in the Application Form only (“ASBA Account”). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Bid/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. For details of instructions in relation to the Application Form, Bidders/Applicants may refer to the relevant section of the GID.

## **SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT**

The Allotment of Equity Shares to Bidders/Applicants other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to RHP/Prospectus. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue (excluding any Offer for Sale of specified securities). However, in case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

### **7.1 ALLOTMENT TO RIIs**

Bids received from the RIIs at or above the Issue Price may be grouped together to determine the total demand under this category. If the aggregate demand in this category is less than or equal to the Retail Category at or above the Issue Price, full Allotment may be made to the RIIs to the extent of the valid Bids. If the aggregate demand in this category is greater than the allocation to in the Retail Category at or above the Issue Price, then the maximum

number of RIIs who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot ("**Maximum RII Allottees**"). The Allotment to the RIIs will then be made in the following manner:

- (a) In the event the number of RIIs who have submitted valid Bids in the Issue is equal to or less than Maximum RII Allottees, (i) all such RIIs shall be Allotted the minimum Bid Lot; and (ii) the balance available Equity Shares, if any, remaining in the Retail Category shall be Allotted on a proportionate basis to the RIIs who have received Allotment as per (i) above for the balance demand of the Equity Shares Bid by them (i.e. who have Bid for more than the minimum Bid Lot).
- (b) In the event the number of RIIs who have submitted valid Bids in the Issue is more than Maximum RII Allottees, the RIIs (in that category) who will then be Allotted minimum Bid Lot shall be determined on the basis of draw of lots.

## 7.2 ALLOTMENT TO NIIs

Bids received from NIIs at or above the Issue Price may be grouped together to determine the total demand under this category. The Allotment to all successful NIIs may be made at or above the Issue Price. If the aggregate demand in this category is less than or equal to the Non-Institutional Category at or above the Issue Price, full Allotment may be made to NIIs to the extent of their demand. In case the aggregate demand in this category is greater than the Non-Institutional Category at or above the Issue Price, Allotment may be made on a proportionate basis up to a minimum of the Non- Institutional Category.

## 7.3 ALLOTMENT TO QIBs

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations, 2009 or RHP/Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner:

- (a) In the first instance allocation to Mutual Funds for up to 5% of the QIB Category may be determined as follows: (i) In the event that Bids by Mutual Fund exceeds 5% of the QIB Category, allocation to Mutual Funds may be done on a proportionate basis for up to 5% of the QIB Category; (ii) In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Category then all Mutual Funds may get full Allotment to the extent of valid Bids received above the Issue Price; and (iii) Equity Shares remaining unsubscribed, if any and not allocated to Mutual Funds may be available for Allotment to all QIBs as set out at paragraph 7.4(b) below;
- (b) In the second instance, Allotment to all QIBs may be determined as follows: (i) In the event of oversubscription in the QIB Category, all QIBs who have submitted Bids above the Issue Price may be Allotted Equity Shares on a proportionate basis for up to 95% of the QIB Category; (ii) Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIBs; and (iii) Under-subscription below 5% of the QIB Category, if any, from Mutual Funds, may be included for allocation to the remaining QIBs on a proportionate basis.

## 7.4 ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)

- (a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Issue Price will be at the discretion of the issuer in consultation with the BRLM, subject to compliance with the following requirements:
  - i. not more than 60% of the QIB Category will be allocated to Anchor Investors;
  - ii. one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
  - iii. allocation to Anchor Investors shall be on a discretionary basis and subject to:



- a maximum number of two Anchor Investors for allocation up to ₹ 10 crores;
  - a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 10 crores and up to ₹ 250 crores subject to minimum Allotment of ₹ 5 crores per such Anchor Investor; and
  - a minimum number of five Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 250 crores, and an additional 10 Anchor Investors for every additional ₹ 250 crores or part thereof, subject to minimum Allotment of ₹ 5 crores per such Anchor Investor.
- (b) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the issuer in consultation with the BRLM, selected Anchor Investors will be sent a CAN and if required, a revised CAN.
- (c) **In the event that the Issue Price is higher than the Anchor Investor Issue Price:** Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Issue Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors.
- (d) **In the event the Issue Price is lower than the Anchor Investor Issue Price:** Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

#### **7.5 BASIS OF ALLOTMENT FOR QIBs (OTHER THAN ANCHOR INVESTORS), NIIs AND RESERVED CATEGORY IN CASE OF OVER-SUBSCRIBED ISSUE.**

In the event of the Issue being over-subscribed, the Issuer may finalise the Basis of Allotment in consultation with the Designated Stock Exchange in accordance with the SEBI ICDR Regulations.

The allocation may be made in marketable lots, on a proportionate basis as explained below:

- (a) Bidders may be categorized according to the number of Equity Shares applied for;
- (b) The total number of Equity Shares to be Allotted to each category as a whole may be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio;
- (c) The number of Equity Shares to be Allotted to the successful Bidders may be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio;
- (d) In all Bids where the proportionate Allotment is less than the minimum Bid Lot decided per Bidder, the Allotment may be made as follows: the successful Bidders out of the total Bidders for a category may be determined by a draw of lots in a manner such that the total number of Equity Shares Allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above; and each successful Bidder may be Allotted a minimum of such Equity Shares equal to the minimum Bid Lot finalised by the Issuer;
- (e) If the proportionate Allotment to a Bidder is a number that is more than the minimum Bid lot but is not a multiple of one (which is the marketable lot), the decimal may be rounded off to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5 it may be rounded off to the lower whole number. Allotment to all Bidders in such categories may be arrived at after such rounding off; and
- (f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares Allotted to the Bidders in that category, the remaining Equity Shares available for Allotment may be first adjusted against any other category, where the Allotted Equity Shares are not sufficient for proportionate Allotment to

the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment may be added to the category comprising Bidders applying for minimum number of Equity Shares.

## 7.6 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

- (a) **Designated Date:** On the Designated Date, the Escrow Collection Banks shall transfer the funds represented by allocation of Equity Shares to Anchor Investors from the Escrow Account, as per the terms of the Anchor Escrow Agreement, into the Public Issue Account with the Bankers to the Issue. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the Bidders applying in the Anchor Investor Portion shall be made from the Refund Account as per the terms of the Anchor Escrow Agreement and the RHP. On the Designated Date, the Registrar to the Issue shall instruct the SCSBs to transfer funds represented by allocation of Equity Shares from ASBA Accounts into the Public Issue Account.
- (b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Bidders/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 Bidders/Applicants who have been Allotted Equity Shares in the Issue.

- (c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.
- (d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) credit of shares to the successful Bidders/Applicants Depository Account will be completed within six Working Days of the Bid/Issue Closing Date. The Issuer also ensures the credit of shares to the successful Applicant's depository account is completed within five Working Days from the Bid/Issue Close Date.

## SECTION 8: INTEREST AND REFUNDS

### 8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer shall 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 six Working Days of the Bid/Issue Closing Date. The Registrar to the Issue may initiate corporate action for credit to Equity Shares the beneficiary account with CDPs, and dispatch the Allotment Advice within six Working Days of the Bid/Issue Closing Date.

### 8.2 GROUNDS FOR REFUND

#### 8.2.1 NON RECEIPT OF LISTING PERMISSION

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in RHP/Prospectus. The Designated Stock Exchange may be as disclosed in the RHP/Prospectus with which the Basis of Allotment may be finalised.

If the Issuer fails to make application to the Stock Exchange(s) or obtain permission for listing of the Equity Shares, in accordance with the provisions of Section 40 of the Companies Act, 2013, the Issuer shall be punishable with a fine which shall not be less than ₹ 5 lakhs but which may extend to ₹ 50 lakhs and every officer of the Issuer who is in default shall be punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than ₹ 50,000 but which may extend to ₹ 3 lakhs, or with both.

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 take steps to refund, without interest, all moneys received from Bidders/Applicants.

If such money is not refunded to the Bidders/Applicants within the prescribed time 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 such period, be liable to repay the money, with interest at such rate, as disclosed in the RHP/Prospectus.

### **8.2.2 NON RECEIPT OF MINIMUM SUBSCRIPTION**

If the Issuer does not receive a minimum subscription of 90% of the Issue (excluding any offer for sale of specified securities), including devolvement to the Underwriters, the Issuer may forthwith, take steps to unblock the entire subscription amount received within six Working Days of the Bid/Issue Closing Date and repay, without interest, all moneys received from Anchor Investors. In case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable. In case of under-subscription in the Issue, the Equity Shares in the Issue will be issued prior to the sale of Equity Shares in the Offer for Sale.

If there is a delay beyond the prescribed time after the Issuer becomes liable to pay or unblock the amount received from Bidders, then the Issuer and every director of the Issuer who is an officer in default may on and from expiry of 15 Working Days, be jointly and severally liable to repay the money, with interest at the rate of 15% per annum in accordance with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended.

### **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 1,000 failing which the entire application monies may be refunded forthwith.

### **8.2.4 IN CASE OF ISSUES MADE UNDER COMPULSORY BOOK BUILDING**

In case an Issuer not eligible under Regulation 26(1) of the SEBI ICDR Regulations comes for an Issue under Regulation 26(2) of SEBI ICDR Regulations but fails to Allot at least 75% of the Issue to QIBs, in such case full subscription money is to be refunded.

## **8.3 MODE OF REFUND**

- (a) **In case of Bids/Applications (other than Anchor Investors):** Within six Working Days of the Bid/Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Bid/Application and also for any excess amount blocked on Bidding/Application.
- (b) **In case of Anchor Investors:** Within six Working Days of the Bid/Issue Closing Date, the Registrar to the Issue may dispatch the refund orders for all amounts payable to unsuccessful Anchor Investors.
- (c) In case of Anchor Investors, the Registrar to the Issue may obtain from the depositories, the Bidders/Applicants' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Anchor Investors in their Anchor Investor Application Forms for refunds. Accordingly, Anchor Investors are advised to immediately update their details as appearing on the records of their depositories. Failure to do so may result in delays in dispatch of refunds through electronic transfer of funds, as applicable, and any such delay may be at the Anchor Investors' sole risk and neither the Issuer, the Registrar to the Issue, the Anchor Escrow Bank, or the Syndicate, may be liable to compensate the Anchor Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay. Please note that refunds shall be credited only to the bank account from which the Bid Amount was remitted to the Anchor Escrow Bank.

### **8.3.1 Electronic mode of making refunds for Anchor Investors**

The payment of refund, if any, may be done through various electronic modes as mentioned below:

- (a) **NEFT**—Payment of refund may be undertaken through NEFT wherever the branch of the Anchor Investors' bank is NEFT enabled and has been assigned the Indian Financial System Code ("IFSC"), which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Anchor Investors have registered their nine- digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Anchor Investors through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;
- (b) **Direct Credit**—Anchor Investors having their bank account with the Anchor Escrow and Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;
- (c) **RTGS** —Anchor Investors having a bank account with a bank branch which is RTGS enabled as per the information available on the website of RBI and whose refund amount exceeds ₹ 0.2 million, shall be eligible to receive refund through RTGS, provided the Demographic Details downloaded from the Depositories contain the nine digit MICR code of the Anchor Investor's bank which can be mapped with the RBI data to obtain the corresponding Indian Financial System Code ("IFSC"). Charges, if any, levied by the Anchor Escrow Bank for the same would be borne by our Company. Charges, if any, levied by the Anchor Investor's bank receiving the credit would be borne by the Anchor Investor. Please note that refunds through the above mentioned modes shall be credited only to the bank account from which the Bid Amount was remitted to the Anchor Escrow Bank. For details of levy of charges, if any, for any of the above methods, including bank charges, etc. Anchor Investors may refer to RHP/Prospectus.

#### 8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at the rate of 15% per annum where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/or demat credits are not made to Bidders/Applicants or instructions for unblocking of funds in the ASBA Account are not dispatched within the six Working days of the Bid/Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 15 days from the Bid/Issue Closing Date, if Allotment is not made.

#### SECTION 9: GLOSSARY AND ABBREVIATIONS

*Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.*

Term	Description
Allotment/ Allot/ Allotted	The allotment of Equity Shares pursuant to the Issue to successful Bidders/Applicants
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders/Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges
Allottee	A Bidder/Applicant to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in SEBI ICDR Regulations, 2009 and the Red Herring Prospectus.
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus

Term	Description
Anchor Investor Portion	Up to 60% of the QIB Category which may be allocated by the Issuer in consultation with the BRLM, to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion is reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors
Application Supported by Blocked Amount/ (ASBA)/ASBA	An application, whether physical or electronic, used by Bidders/Applicants to make a bid/application authorizing an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB
Application Supported by Blocked Amount Form /ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders/Applicants, which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Bid amount of the ASBA Bidder.
ASBA Bidder	All Bidders/Applicants except Anchor Investors
Banker(s) to the Offer/Escrow Collection Bank(s)/Collecting Banker	The banks which are clearing members and registered with SEBI as Banker to the Offer with whom the Escrow Account for Anchor Investors may be opened, and as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Bidders/Applicants under the Issue
Bid	An indication to make an offer during the Bid/Offer Period by a prospective Bidder pursuant to submission of Bid cum Application Form or during the Anchor Investor Bid/Offer Period by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price within the Price Band, including all revisions and modifications thereto. In case of issues undertaken through the fixed price process, all references to a Bid should be construed to mean an Application
Bid Amount	The highest value of the optional Bids indicated in the Bid cum Application Form and payable by the Bidder upon submission of the Bid (except for Anchor Investors), less discounts (if applicable). In case of issues undertaken through the fixed price process, all references to the Bid Amount should be construed to mean the Application Amount
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires
Bid/Issue Closing Date	Except in the case of Anchor Investors (if applicable), the date after which the Designated Intermediaries may not accept any Bids for the Issue, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Bidders/Applicants may refer to the RHP/Prospectus for the Bid/Issue Closing Date
Bid/Issue Opening Date	The date on which the Designated Intermediaries may start accepting Bids for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Bidders/Applicants may refer to the RHP/Prospectus for the Bid/Issue Opening Date
Bid/Issue Period	Except in the case of Anchor Investors (if applicable), the period between the Bid/Issue Opening Date and the Bid/Issue Closing Date inclusive of both days and during which prospective ASBA Bidders/Applicants can submit their Bids, inclusive of any revisions thereof. The Issuer may consider closing the Bid/Issue Period for QIBs one working day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations, 2009. Bidders/Applicants may refer to the RHP/Prospectus for the Bid/Issue Period
Bidder/Applicant	Any prospective investor who makes a Bid/Application pursuant to the terms of the RHP/Prospectus and the Bid cum Application Form. In case of issues undertaken through the fixed price process, all references to a Bidder/Applicants should be construed to mean an Applicant

Term	Description
Book Built Process/ Book Building Process/ Book Building Method	The book building process as provided under SEBI ICDR Regulations, 2009,
Broker Centres	Broker Centres notified by the Stock Exchanges, where Bidders/Applicants can submit the Bid cum Application Form to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchanges.
Book Running Lead Manager/ BRLM/ Lead Manager/ LM	The Book Running Lead Manager to the Issue as disclosed in the RHP/Prospectus and the Bid cum Application Form of the Issuer. In case of issues undertaken through the fixed price process, all references to the Book Running Lead Manager should be construed to mean the Lead Manager or LM
Business Day	Monday to Saturday (except 2 <sup>nd</sup> and 4 <sup>th</sup> Saturday of a month and public holidays)
CAN/Confirmation of Allotment Note	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, after the Anchor Investor Bid/Issue Period
Cap Price	The higher end of the Price Band, above which the Issue Price and the Anchor Investor Issue Price may not be finalised and above which no Bids may be accepted
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids/Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Cut-off Price	Issue Price, finalized by the Issuer in consultation with the Book Running Lead Manager(s), which can be any price within the Price Band. Only RIBs, Retail Individual Shareholders and employees are entitled to Bid at the Cut-off Price. No other category of Bidders/Applicants are entitled to Bid at the Cut-off Price
DP	Depository Participant
DP ID	Depository Participant's Identification Number
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
Demographic Details	Details of the Bidders/Applicants including the Bidders/Applicant's address, name of the Applicant's father/husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which may collect the Bid cum Application Forms used by the ASBA Bidders/Applicants (excluding Anchor Investor) applying through the ASBA and a list of which is available on <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a>
Designated CDP Locations	Such locations of the CDPs where Bidder/Applicant can submit the Bid cum Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid cum Application Forms are available on the websites of the Stock Exchange.
Designated RTA Locations	Such locations of the RTAs where Bidder/Applicant can submit the Bid cum Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Bid cum Application Forms are available on the websites of the Stock Exchange.
Designated Stock Exchange	The designated stock exchange as disclosed in the Red Herring Prospectus/ Prospectus of the Issuer
Designated Intermediaries /Collecting Agent	Syndicate Members, Sub-Syndicate/Agents, SCSBs, Registered Brokers, Brokers, the CDPs and RTAs, who are authorized to collect ASBA Application Forms from the Bidders/Applicants, in relation to the Issue



Term	Description
Discount	Discount to the Issue Price that may be provided to Bidders/Applicants in accordance with the SEBI ICDR Regulations, 2009.
Employees	Employees of an Issuer as defined under SEBI ICDR Regulations, 2009 and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoters and immediate relatives of the promoter. For further details Bidders/Applicants may refer to the RHP/ Prospectus
Equity Shares	Equity shares of the Issuer
Escrow Account	Account opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors may transfer money through NEFT/RTGS/direct credit in respect of the Bid Amount when submitting a Bid
Escrow Agreement	Agreement to be entered into among the Issuer, the Registrar to the Issue, the Book Running Lead Manager(s), the Escrow Collection Bank(s) and the Refund Bank(s) for collection of the Bid Amounts from Anchor Investors and where applicable, remitting refunds of the amounts collected to the Anchor Investors on the terms and conditions thereof
Escrow Collection Bank(s)	Refer to definition of Banker(s) to the Issue
FCNR Account	Foreign Currency Non-Resident Account
First Bidder/Applicant	The Bidder/Applicant whose name appears first in the Bid cum Application Form or Revision Form
FII(s)	Foreign Institutional Investors as defined under the SEBI (Foreign Institutional Investors) Regulations, 1995 and registered with SEBI under applicable laws in India
Floor Price	The lower end of the Price Band, at or above which the Issue Price and the Anchor Investor Price may be finalised and below which no Bids may be accepted, subject to any revision thereto
FPIs	Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
FPO	Further public offering
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000
IPO	Initial public offering
Issue	Public issue of Equity Shares of the Issuer including the Offer for Sale if applicable
Issue Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted to Bidders other than Anchor Investors, in terms of the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Issue Price The Issue Price may be decided by the Issuer in consultation with the Book Running Lead Manager(s)
Issuer/ Company	The Issuer proposing the initial public offering/further public offering as applicable
Maximum RIB Allottees	The maximum number of RIBs who can be allotted the minimum Bid/Application Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid/Application Lot.
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account

Term	Description
Non-Institutional Investors or NIIs	All Bidders/Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporate or foreign individuals and FPIs which are Category III foreign portfolio investors, that are not QIBs or RIBs and who have Applied for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Category	The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the RHP/Prospectus and the Bid cum Application Form
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FIIs, FPIs and FVCIs
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
Offer for Sale	Public offer of such number of Equity Shares as disclosed in the Prospectus through an offer for sale by the Selling Shareholder
Other Investors	Investors other than Retail Individual Investors in a Fixed Price Issue. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Price Band	Price Band with a minimum price, being the Floor Price and the maximum price, being the Cap Price and includes revisions thereof. The Price Band and the minimum Bid lot size for the Issue may be decided by the Issuer in consultation with the Book Running Lead Manager(s) and advertised, at least five working days in case of an IPO and one working day in case of FPO, prior to the Bid/Issue Opening Date, in English national daily, Hindi national daily and regional language at the place where the registered office of the Issuer is situated, newspaper each with wide circulation
Pricing Date	The date on which the Issuer in consultation with the Book Running Lead Manager(s), finalize the Issue Price
Prospectus	The prospectus to be filed with the RoC in accordance with Section 32 of the Companies Act, 2013 read with section 26 of Companies Act 2013 after the Pricing Date, containing the Issue Price, the size of the Issue and certain other information
Public Issue Account	An account opened with the Banker to the Issue to receive monies from the ASBA Accounts on the Designated Date
QIB Category	The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis
Qualified Institutional Buyers or QIBs	As defined under SEBI ICDR Regulations, 2009
RTGS	Real Time Gross Settlement
Red Herring Prospectus/ RHP	The red herring prospectus issued in accordance with Section 32 of the Companies Act, 2013, which does not have complete particulars of the price at which the Equity Shares are offered and the size of the Issue. The RHP may be filed with the RoC at least three days before the Bid/Issue Opening Date and may become a Prospectus upon filing with the RoC after the Pricing Date. In case of issues undertaken through the fixed price process, all references to the RHP should be construed to mean the Prospectus
Refund Account	The account opened with Refund Bank, from which refunds to Anchor Investors, if any, of the whole or part of the Bid Amount may be made
Refund bank	Refund bank as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer



Term	Description
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registered Broker	Stock Brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate
Registrar to the Issue /RTI	The Registrar to the Issue as disclosed in the RHP/Prospectus and Bid cum Application Form
Reserved Category/ Categories	Categories of persons eligible for making application/Bidding under reservation portion
Reservation Portion	The portion of the Issue reserved for category of eligible Bidders/Applicants as provided under the SEBI ICDR Regulations, 2009
Retail Individual Investors / RIIs	Investors who applies or bids for a value of not more than ₹ 200,000.
Retail Individual Shareholders	Shareholders of a listed Issuer who applies or bids for a value of not more than ₹ 200,000.
Retail Category	The portion of the Issue being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum bid lot, subject to availability in RII category and the remaining shares to be allotted on proportionate basis.
Revision Form	The form used by the Bidders in an issue to modify the quantity of Equity Shares indicates therein in any of their Bid cum Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI ICDR Regulations, 2009	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
Self Certified Syndicate Bank(s) or SCSB(s)	A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on <a href="http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html">http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html</a>
Specified Locations	Refer to definition of Broker Centers
Stock Exchanges/ SE	The stock exchanges as disclosed in the RHP/Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed
Syndicate	The Book Running Lead Manager(s) and the Syndicate Member
Syndicate Agreement	The agreement to be entered into among the Issuer, and the Syndicate in relation to collection of the Bids in this Issue (excluding Application from ASBA Applicants)
Syndicate Member(s)/SM	The Syndicate Member(s) as disclosed in the Prospectus
Underwriters	The Book Running Lead Manager(s) and the Syndicate Member(s)
Underwriting Agreement	The agreement amongst the Issuer, and the Underwriters to be entered into on or after the Pricing Date
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 however, with reference to (a) announcement of Price Band; and (b) Bid/Offer 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 Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, “Working Day” shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016

## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the RBI and the relevant ministry or ministries of the Government of India.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("DIPP"), issued the consolidated FDI policy circular of 2017 ("FDI Policy 2017"), which with effect from August 28, 2017, consolidates and supersedes all previous press notes, press releases and clarifications on FDI policy issued by the DIPP that were in force and effect as on August 28, 2017.

Subject to certain conditions, the transfer of shares by way of sale between an Indian resident and a non-resident does not require the prior approval of the RBI or the relevant ministry or ministries of the Government of India, provided that (i) the activities of the investee company are under the automatic route under the FDI Policy 2017 and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy 2017; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI and the RBI.

As per the existing policy of the Government of India, OCBs cannot participate in the Offer.

The Equity Shares have not been and will not be registered under the Securities Act or any other applicable law of the United States and, unless so registered, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) within the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the Securities Act and referred to in this Red Herring Prospectus as "U.S. QIBs", for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Red Herring Prospectus as "QIBs") in transactions exempt from, or not subject to, the registration requirements of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the applicants. Our Company and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws.

## SECTION VIII - MAIN PROVISIONS OF ARTICLES OF ASSOCIATION OF OUR COMPANY

Pursuant to Schedule I of the Companies Act, and the SEBI ICDR Regulations, the Main provisions of the Articles of Association relating to voting rights, dividend, lien, forfeiture, restrictions on transfer and Transmission of equity shares or debentures, their consolidation or splitting are as provided below. Each provision below is numbered as per the corresponding article number in the articles of association and defined terms herein have the meaning given to them in the Articles of Association.

ARTICLE NO.	INTERPRETATION	HEADING
1.	No regulation contained in Table F contained in the First Schedule to the Companies Act, 2013, shall apply to this Company, but the regulations for the management of the Company and for the observance of the Members thereof and their representatives shall, subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of, or addition thereto, by special resolution, as prescribed by the said Act, be such as are contained in these Articles.	<b>PRELIMINARY</b>
2.	<p>In the interpretation of these Articles, unless repugnant to the subject or context:-</p> <p>“The Company” or “this Company” means DINESH ENGINEERS LIMITED</p> <p>“The Act” means the Companies Act, 2013, or any statutory modification or re-enactment, clarifications and notification thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous Company law, so far as may be applicable.</p> <p>“Annual General Meeting” means a general meeting of the members held as such, in accordance with the provisions of the Act.</p> <p>“Beneficial Owner” means a person as defined by section 2(1)(a) of the Depositories Act, 1996.</p> <p>“The Board” or the “Board of Directors” means the collective body of the Directors of the Company.</p> <p>“Capital” means the Share capital, for the time being, raised or authorised to be raised, for purposes of the Company.</p> <p>“Debenture” includes debenture stock, bonds or any other instrument of the Company evidencing the debts whether constituting the charge on the assets of the Company or not.</p> <p>“Depositories Act 1996” means The Depositories Act, 1996 and includes any statutory modification or re-enactment thereof for the time being in force.</p> <p>“Depository” means and includes a Company as defined in section 2(1) (e) of “The Depositories Act, 1996.</p> <p>“Directors” means a director appointed to the Board of the Company.</p> <p>“Dividend” includes interim dividend.</p> <p>“Extra-ordinary General Meeting” means an extraordinary general meeting of the members, duly called and constituted, and any adjourned holding thereof.</p> <p>“In writing” or “written” include printing, lithography and other modes of representing or reproducing words in a visible form.</p> <p>“Member” means member as defined under section 2(55) of the Companies Act, 2013.</p> <p>“Office” means the registered office, for the time being, of the Company.</p> <p>“Paid-up” means paid up capital as defined under section 2(64) of the Companies Act, 2013.</p> <p>“Participant” means individual / institutions as defined under Section 2(1)(g) of the Depositories Act, 1996.</p> <p>“Persons” include corporations and firms as well as individuals.</p> <p>“Register of Members” means the Register of Members to be kept pursuant to the Act, and includes index of beneficial owners mentioned by a Depository.</p> <p>“The Registrar” means, Registrar as defined under section 2(75) of the Companies</p>	<b>INTERPRETATION</b>

	<p>Act, 2013.</p> <p>“Secretary” means a Company Secretary, within the meaning of clause (c) of sub section (1) of section 2 of Company Secretaries Act, 1980, who is appointed by the Company to perform the functions of the Company Secretary under this Act</p> <p>“Seal” means the common seal, for the time being, of the Company.</p> <p>“Share” means a Share in the capital of the Company, and includes stock, except where a distinction between Stock and Shares is express or implied.</p> <p>Words importing the singular number include, where the context admits or requires, the plural number and vice versa.</p> <p>“Ordinary resolution” and “special resolution” shall have the same meaning assigned thereto by the Act.</p> <p>“Year” means a calendar year and “financial year” shall have the same meaning as assigned thereto by or under the Companies Act, 2013.</p> <p>Words importing the masculine gender also include the feminine gender.</p> <p>The margin notes, if used or incorporated, or, after being used, removed, at any time thereafter, in these Articles shall not affect the construction hereof.</p> <p>Save as aforesaid, any words or expressions defined in the Act shall, if not inconsistent with the subject or context, bear the same meaning so far as these Articles are concerned.</p> <p>The Section number, with relation to the Act, referred to anywhere in these presents, may be deemed to have been replaced by such other number or numbers, as may, after the amendments or modifications effected in the Act or repeal of the Act and introduction of the new Act as such in its place, contain the relevant provisions, in the context or circumstances of that respective Article, as may be proper and justifiable and shall be interpreted in its true intention</p>	
3.	Where the Act requires that the company cannot undertake any act or exercise any rights or powers, unless expressly authorized by its articles, these articles shall in relation to the Company, be deemed to confer such right, authority or power.	<b>GENERAL AUTHORITY</b>
4.	The Authorized Share Capital of the Company is such amount, as stated, for the time being, or may be varied, from time to time, under the provisions of the Act, in the Clause V of the Memorandum of Association of the Company, divided into such number, classes and descriptions of Shares and into such denominations, as stated therein, and further with such powers to increase the same or otherwise as stated therein.	<b>CAPITAL AND INCREASE AND REDUCTION THEREOF</b>
5.	The Company, in general meeting, may, from time to time, increase the capital by the creation of new shares. Such increase in the capital shall be of such aggregate amount and to be divided into such number of Shares of such respective amounts, as the resolution, so passed in that respect, shall prescribe. Subject to the provisions of the Act, any Shares of the original or increased capital shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the general meeting, resolving upon the creation thereof, shall direct, and, if no direction be given, as the Directors shall determine, and, in particular, such Shares may be issued with a preferential, restricted or qualified right to dividends, and in the distribution of assets of the Company, on winding up, and with or without a right of voting at general meetings of the Company, in conformity with and only in the manner prescribed by the provisions of the Act. Whenever capital of the Company has been increased under the provisions of this Article, the Directors shall comply with the applicable provisions of the Act.	
6.	Except so far as otherwise provided by the conditions of issue or by these presents, any capital raised by the creation of new shares shall be considered as part of the existing capital and shall be subject to the provisions contained herein with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting or otherwise.	
7.	Subject to the provisions of Section 55 of the Act and the rules made thereunder,	

	the Company shall have the power to issue preference shares, which are liable to be redeemed and the resolution authorizing such issue shall prescribe the manner, terms and conditions of redemption.	
8.	<p>On the issue of Redeemable Preference Shares under the provisions of the preceding Article, the following provisions shall take effect:-</p> <ul style="list-style-type: none"> <li>i. No such Shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of Shares made for the purpose of the redemption;</li> <li>ii. No such shares shall be redeemed unless they are fully paid;</li> <li>iii. The premium, if any, payable on redemption, must have been provided for, out of the profits of the Company or the Share Premium Account of the Company before, the Shares are redeemed; and</li> <li>iv. Where any such Shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of profits which would otherwise have been available for dividend, be transferred to a reserve fund to be called "Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed and the provisions of the Act, relating to the reduction of the Share Capital of the Company, shall, except as provided in Section 80 of the Act, apply as if "Capital Redemption Reserve Account" were paid up Share capital of the Company.</li> </ul>	
9.	Subject to Section 66 of the Companies Act, 2013, the Company may by special resolution, reduce its capital and any Capital Redemption Reserve Account or Other Premium Account, for the time being, in any manner, authorized by law, and, in particular, without prejudice to the generality of the foregoing powers, the capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power, the Company would have, if it were omitted.	
10.	Subject to the applicable provisions of the Act, the Company, in general meeting, may, from time to time, sub-divide, reclassify or consolidate its Shares or any of them, and the resolution whereby any Share is sub-divided, may determine that, as between the holders of the Shares resulting from such sub-division, one or more of such Shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the other or others. Subject as aforesaid, the Company, in general meeting, may also cancel shares, which have not been taken or agreed to be taken by any person, and diminish the amount of its Share capital by the amount of the Shares so cancelled.	
11.	Whenever the capital, by reason of the issue of Preference Shares or otherwise, is divided into different classes of shares, all or any of the rights and privileges attached to each class may, subject to the applicable provisions of the Act, be modified, commuted, affected or abrogated, or dealt with by an agreement between the Company and any person purporting to contract on behalf of that class, provided such agreement is ratified, in writing, by holders of at least three-fourths in nominal value of the issued Shares of the class or is confirmed by a special resolution passed at a separate general meeting of the holders of Shares of that class and all the provisions hereinafter contained as to general meetings, shall, mutatis mutandis, apply to every such meeting.	
12.	The Company shall keep or cause to be kept a Register and Index of Members, in accordance with the applicable Sections of the Act. The Company shall be entitled to keep, in any State or Country outside India, a Branch Register of Members, in respect of those residents in that State or Country.	<b>SHARES AND CERTIFICATES</b>
13.	The Shares, in the capital, shall be numbered progressively according to their	

	several classes and denominations, and, except in the manner hereinabove mentioned, no Share shall be sub-divided. Every forfeited or surrendered Share may continue to bear the number by which the same was originally distinguished with, or as may be otherwise, as may be decided by the Board of Directors or required by any other authority, as may be, for the time being, in force.	
14.	<p>i. Where at the time, it is proposed to increase the subscribed capital of the Company by allotment of further Shares either out of the unissued or out of the increased Share capital then :</p> <ol style="list-style-type: none"> <li>Such further Shares shall be offered to the persons who at the date of the offer, are holders of the Equity Shares of the Company, in proportion, as near as circumstances admit, to the capital paid up on those Shares at that date.</li> <li>Such offer shall be made by a notice specifying the number of Shares offered and limiting a time not less than fifteen days and not exceeding thirty days from the date of the offer within which the offer if not accepted, will be deemed to have been declined.</li> <li>The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the Shares offered to him in favour of any other person and the notice referred to in sub-clause (b) hereof shall contain a statement of this right provided that the Directors may decline, without assigning any reason to allot any Shares to any person in whose favour any member may, renounce the Shares offered to him.</li> <li>After expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the Shares offered, the Board of Directors may dispose of them in such manner as they think most beneficial to the Company.</li> </ol> <p>ii. Notwithstanding anything contained in sub-clause (i) thereof, the further Shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in clause (a) of sub-clause (i) hereof) in any manner either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a Registered Valuer subject to such conditions prescribed in the rules made thereunder.</p> <p>iii. Nothing in sub-clause (c) of (i) hereof shall be deemed:</p> <ol style="list-style-type: none"> <li>To extend the time within the offer should be accepted; or</li> <li>To authorize any person to exercise the right of renunciation for a second time, on the ground that the person in whose favor the remuneration was first made has declined to take the Shares comprised in the renunciation.</li> </ol> <p>iv. Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the Debenture issued or loans raised by the Company to convert such Debenture or loans into Shares in the Company. Provided that the terms of issue of such Debentures or the terms of such loans loan containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the Company in general meeting.</p>	
15.	Subject to the provisions of Section 62 of the Companies Act, 2013 and the rules made thereunder and these Articles of the Company for the time being shares 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 part and at such time as they may from time to time think fit and with the sanction of the Company in the General Meeting	



	to give any person or persons the option or right to call for any Shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot Shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any Shares which may so be allotted may be issued as fully paid up Shares and if so issued, shall be deemed to be fully paid Shares. Provided that option or right to call of Shares shall not be given to any person or persons without the sanction of the Company in the General Meeting. The Board shall cause to be filed the returns as to allotment as may be prescribed from time to time.	
16.	In addition to and without derogating from the powers for that purpose conferred on the Board under the preceding two Articles, the Company, in general meeting, may determine that any Shares, whether forming part of the original capital or of any increased capital of the Company, shall be offered to such persons, whether or not the members of the Company, in such proportion and on such terms and conditions and, subject to compliance with the provisions of applicable provisions of the Act, either at a premium or at par, as such general meeting shall determine and with full power to give any person, whether a member or not, the option to call for or be allotted Shares of any class of the Company either, subject to compliance with the applicable provision of the Act, at a premium or at par, such option being exercisable at such times and for such consideration as may be directed by such general meeting, or the Company in general meeting may make any other provision whatsoever for the issue, allotment or disposal of any Shares.	
17.	Any application signed by or on behalf of an applicant for subscription for Shares in the Company, followed by an allotment of any Shares therein, shall be an acceptance of Shares within the meaning of these Articles, and every person, who, thus or otherwise, accepts any Shares and whose name is entered on the Registered shall, for the purpose of these Articles, be a member.	
18.	The money, if any, which the Board shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any Shares allotted by them, shall immediately on the insertion of the name of the allottee in the Register of Members as the name of the holder of such Shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly, in the manner prescribed by the Board.	
19.	Every member or his heirs, executors or administrators, shall pay to the Company the portion of the capital represented by his Share or Shares which may, for the time being, remain unpaid thereon, in such amounts, at such time or times, and in such manner as the Board shall, from time to time, in accordance with the Regulations of the Company, require or fix for the payment thereof.	
20.	<p>i. Every Member shall be entitled, without payment, to one or more certificates in marketable lots, for all the Shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from time to time determine) to several certificates, each for one or more of such Shares and the Company shall complete and have ready for delivery such certificates within two (2) months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one (1) month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its Shares as the case may be. Every certificate of Shares shall be under the seal of the Company and shall specify the number and distinctive numbers of Shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a Share or Shares held jointly by several persons the Company shall not be bound to issue more than one certificate and delivery of a certificate of Shares to one of several joint</p>	

	<p>holders shall be sufficient delivery to all Share holders. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a power of attorney and the Secretary or some other person appointed by the Board for the purpose, and such two Directors or their attorneys, and the Secretary or other person shall sign the Share Certificates, provided that, if the composition of the Board permits, provided that, of it, at least one of the aforesaid two Directors shall be a person other than Managing Director or a Wholetime Director. Particulars of every Share certificates issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue.</p> <p>ii. Any two or more joint allottees, in respect of a Share, shall, for the purpose of this Article, be treated as a single member, and the certificate of any Share, which may be subject of joint ownership, may be delivered to the person named first in the order or otherwise even to any one of such joint owners, on behalf of all of them. For any further certificate, the Board shall be entitled but shall not be bound to prescribe a charge not exceeding Rupee 50(fifty) per such certificate. In this respect, the Company shall comply with the applicable provisions, for the time being, in force, of the Act.</p> <p>iii. A director may sign a Share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp provided that the Directors shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.</p>	
21.	<p>i. The Directors may, if they think fit, subject to the provisions of Section 50 of the Act, agree to receive from any member willing to advance the same, all or any part of the amount of his Shares beyond the sums actually called up and upon the monies so paid in advance or upon so much thereof as from time to time exceeds the amount of the calls then made upon the Shares in respect of which such advances has been made, the Company may pay interest at such rate, as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.</p> <p>The member shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable.</p> <p>The Provisions of these Articles shall mutatis mutandis apply to the calls on Debentures of the Company.</p> <p>ii. When a new Share certificate has been issued in pursuance of the preceding clause of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is "Issued in lieu of Share Certificate No..... sub-divided/replaced/on consolidation of Shares".</p> <p>iii. If any certificate be worn out, defaced, mutilated, or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such</p>	



	<p>indemnity as the Company deem adequate, being given, and a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificates under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs. 50/- (Fifty) for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.</p> <p>Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable in this behalf.</p>	
	<p>iv. When a new Share certificate has been issued in pursuance of the preceding clause of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is "DUPLICATE. Issued in lieu of Share Certificate No. ...." The word "DUPLICATE" shall be stamped or punched in bold letters across the face of the Share certificate.</p>	
	<p>v. Where a new Share certificate has been issued in pursuance of clause (i) or clause (iii) of this Article, particulars of every such Share certificate shall be entered in a Register of Renewed and Duplicate Share Certificates, indicating against the names of the person or persons to whom the certificate is issued, the number and date of issue of the Share certificate, in lieu of which the new certificate is issued, and the necessary changes indicated in the Register of Members by suitable cross reference in the "Remarks" column.</p>	
	<p>vi. All blank forms to be issued for issue of Share certificates shall be printed and the printing shall be done only on the authority of a resolution of the Board. The blank forms shall be consecutively numbered, whether by machine, hand or otherwise, and the forms and the blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary, where there is no Secretary, the Managing Director or Whole time Director, and where there is no such director, the Chairman of the Board, for the time being, or otherwise of such other person, as the Board may appoint for the purpose, and the Secretary, such director, Chairman or such other person shall be responsible for rendering an account of these forms to the Board.</p>	
	<p>vii. The Managing Director of the Company, for the time being, or, if the Company has no Managing Director, every director of the Company shall be severally responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of Share certificates except the blank forms of Share certificates referred to in Clause (vi) of this Article.</p>	
	<p>viii. All books referred to in clause (vii) of this Article shall be preserved in good order permanently, or for such period as may be prescribed by the Act or the Rules made thereunder.</p>	
22.	<p>If any Share stands in the names of two or more persons, the person first named, in the Register, shall, as regards receipt of dividends or bonus or service of notices and all or any matter connected with the Company, except voting at meetings and the transfer of the Shares, be deemed the sole holder thereof but the joint holders of a Share shall be severally as well as jointly liable for the payment of all installments of calls due in respect of such Share and for all incidents otherwise.</p>	
23.	<p>Except as ordered by a Court of competent jurisdiction or as by law required, the</p>	

	Company shall not be bound to recognize any equitable, contingent, future or partial interest in any Share, or, except only as is, by these presents, otherwise expressly provided, any right in respect of a Share other than an absolute right thereto, in accordance with these Articles, in the person, from time to time, registered as the holder thereof, but the Board shall be, at liberty, at their sole discretion, to register any Share in the joint names of any two or more persons or the survivor or survivors of them	
24.	Subject to the provisions of Sections 68 to 70 of the Act 2013 and the rules thereunder, the Company may purchase its own Shares or other specified securities out of free reserves, the securities premium account or the proceeds of issue of any Share or specified securities.	
25.	Subject to the provisions contained in sections 68 to 70 and all applicable provisions of the Act and subject to such approvals, permissions, consents and sanctions from the concerned authorities and departments, including the Securities and Exchange Board of India and the Reserve Bank of India, if any, the Company may, by passing a special resolution at a general meeting, purchase its own Shares or other specified securities (hereinafter referred to as 'buy-back') from its existing Shareholders on a proportionate basis and/or from the open market and/or from the lots smaller than market lots of the securities (odd lots), and/or the securities issued to the employees of the Company pursuant to a scheme of stock options or sweat Equity, from out of its free reserves or out of the securities premium account of the Company or out of the proceeds of any issue made by the Company specifically for the purpose, on such terms, conditions and in such manner as may be prescribed by law from time to time; provided that the aggregate of the securities so bought back shall not exceed such number as may be prescribed under the Act or Rules made from time to time.	
26.	Subject to the provisions of Section 40 of the Act 2013 and the rules thereof, the Company may, at any time, pay a commission to any person in consideration of his subscribing or agreeing to subscribe, whether absolutely or conditionally, for any Shares in or Debentures of the Company or procuring or agreeing to procure the subscribers, whether absolutely or conditional, for any Shares in or Debentures of the Company, but so that the commission shall not exceed, in the case of Shares, five per cent of the price at which the Shares are issued and, in the case of Debentures two and half per cent of the price at which the Debentures are issued, and such commission may be satisfied in any such manner, including the allotment of the Shares or Debentures, as the case may be, as the Board thinks fit and proper.	<b>COMMISSION AND BROKERAGE</b>
27.	Subject to the provisions of the Act, the Company may pay a reasonable sum for brokerage.	
28.	The Board may, from time to time, subject to the terms on which any Shares may have been issued and subject to the conditions of allotment, by a resolution passed only at a duly constituted meeting of the Board, make such call, as it thinks fit, upon the members in respect of all moneys unpaid on the Shares held by them respectively and each member shall pay the amount of every call so made on him to the person or persons and at the times and places appointed by the Board. A call may be made payable by installments.	<b>CALLS</b>
29.	At least fifteen days' notice, in writing, of any call, shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call be paid.	
30.	A call shall be deemed to have been made at the time when the resolution authorizing such call was passed at a meeting of the Board.	
31.	The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call, and may extend such time as to all or any of the members whom owing to their residence at a distance or other cause, the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension, save as a matter of grace and favor.	

32.	A call may be revoked or postponed at the discretion of Board.	
33.	The joint holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.	
34.	If any members fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall, from time to time, be fixed by the Board, but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member..	
35.	Any sum, which, by the terms of issue of a Share, becomes payable on allotment or at any fixed date, whether on account of the nominal value of the Share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which, by the terms of issue, the same becomes payable, and, in the case of non-payment, all the relevant provisions of these Articles 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.	
36.	On the trial or hearing of any action or suit brought by the Company against any member or his representative for the recovery of any money claimed to be due to the Company in respect of his Shares, it shall be sufficient to prove that the name of the member, in respect of whose Shares the money is sought to be recovered, appears or is entered on the Register of Members as the holder, at or subsequent to the date at which the money is sought to be recovered, is alleged to have become due on the Shares in respect of which money is sought to be recovered, and that the resolution making the call is duly recorded in the minute book, and that notice, of which call, was duly given to the member or his representatives and used in pursuance of these Articles, and it shall not be necessary to prove the appointment of the Directors who made such call, and not that a quorum of Directors was present at the meeting of the Board at which any call was made, and nor that the meeting, at which any call was made, has duly been convened or constituted nor any other matter whatsoever, but the proof of the matters aforesaid shall be conclusive of the debt.	
37.	Neither the receipt by the Company of a portion of any money which shall, from time to time, be due from any member to the Company in respect of his Shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such Shares as hereinafter provided.	
38.	<p>i. The Board may, if it thinks fit, agree to and receive from any member willing to advance the same all or any part of the amounts of his respective Shares beyond the sums actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time, and, at any time thereafter, as exceeds the amount of the calls then made upon and due in respect of the Shares on account of which such advances are made, the Board may pay or allow interest at such rate, as the member paying the sum in advance and the Board agrees upon, subject to the provisions of the Act. The Board may agree to repay, at any time, any amount so advanced or may, at any time, repay the same upon giving to the member 3 (Three) months' notice, in writing, provided that moneys paid, in advance of calls, on any Shares may carry interest but shall not confer a right to dividend or to participate in profits.</p> <p>ii. No member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him, until the same would, but for such payment, become presently payable.</p>	
39.	i. The Company shall have a first and paramount lien upon all the Shares/Debentures (other than fully paid-up Shares/Debentures) registered	<b>Lien</b>

	<p>in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such Shares/Debentures and no equitable interest in any Shares shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in all respect of such Shares/Debentures. Unless otherwise agreed, the registration of a transfer of Shares/Debentures shall operate as a waiver of the Company's lien, if any, on such Shares/Debentures. The Directors may at any time declare any Shares/Debentures wholly or in part to be exempt from the provisions of this clause.</p> <p>ii. Every fully paid shares shall be free from all lien and that in the case of partly paid shares the Issuer's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares</p>	
40.	For the purpose of enforcing such lien, the Board may sell the Shares, subject thereto, in such manner, as it shall think fit, and, for that purpose, may cause to be issued a duplicate certificate in respect of such Shares, and may authorize one of their members to execute a transfer thereof, on behalf of and in the name of such manner. No sale shall be made until such period, as aforesaid, shall have arrived and until notice, in writing, of the intention to sell, shall have been served on such member or his representatives and the default, whether express or implied, shall have been made by him or them in payment, fulfillment or discharge of such debts, liabilities or engagements, for such further days allowed, after the service of such notice, and stated therein.	
41.	The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount, in respect of which the lien exists, as is presently payable, and the residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the Shares before the sale, be paid to the persons entitled to the Shares at the date of the sale.	
42.	If any member fails to pay any call or installment of a call on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board may, at any time thereafter, during such time as the call or installment remains unpaid, give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.	<b>FORFEITURE OF SHARES</b>
43.	The notice shall name a day, not being less than 14 (Fourteen) days from the date of the notice, and a place or places on and at which such call or installment and such interest and expenses as aforesaid are to be paid. The notice shall also state, that, in the event of the non-payment at or before the time and at the place appointed, the Shares, in respect of which the call was made or installment is payable, will be liable to be forfeited.	
44.	If the requirements of any such notice, as aforesaid, shall not be complied with, every or any Share, in respect of which such notice has been given, may, at any time thereafter, before payment of all calls or installments, interest and expenses, as may be due in respect thereof, be forfeited by a resolution of the Board to that effect. Subject to the provisions of the Act, such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited Shares and not actually paid before the forfeiture	
45.	When any Share shall have been so forfeited, notice of the forfeiture shall be given to the member, in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture with the date thereof, shall, forthwith, be made in the Register of Members. But no forfeiture shall be, in any manner, invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.	
46.	Any Share, so forfeited, shall be deemed to be the property of the Company, and	

	may be sold, reallocated or otherwise disposed off, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board shall think fit.	
47.	Any member, whose Shares have been forfeited, shall, notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand, all calls, installments, interest and expenses owing upon or in respect of such Shares at the time of the forfeiture together with interest thereof, until payment, at such rate, as the Board may determine, and the Board may enforce the payment thereof, if it thinks fit.	
48.	The forfeiture of a Share shall involve extinction, at the time of the forfeiture, of all interests in and all claims and demands against the Company, in respect of such Share and all other rights, incidental to the Share, except only such of those rights as by these presents are expressly saved.	
49.	A declaration, in writing, that the declarant is a director or Secretary of the Company and that a Share in the Company has duly been forfeited in accordance with these Articles, on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Shares.	
50.	Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold, and cause the purchaser's name to be entered in the Register, in respect of the Shares sold, and the purchaser shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and, after his name has been entered in the Register, in respect of such Shares, the validity of the sale shall not be impeached by any person, and the remedy of any person aggrieved by the sale shall be in damages only and exclusively against the Company and no one else.	
51.	Upon any sale, allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued, in respect of the relative Shares, shall, unless the same shall, on demand by the Company, have been previously surrendered to it by the defaulting member, stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates, in respect of the said Shares, to the person or persons entitled thereto.	<b>TRANSFER AND TRANSMISSION OF SHARES</b>
52.	The Company shall keep the "Register of Transfers" and therein shall fairly and distinctly enter particulars of every transfer or transmission of any Share.	
53.	No transfer shall be registered, unless a proper instrument of transfer has been delivered to the Company. Every instrument of transfer shall be duly stamped, under the relevant provisions of the Law, for the time being, in force, and shall be signed by or on behalf of the transferor and the transferee, and in the case of a Share held by two or more holders or to be transferred to the joint names of two or more transferees by all such joint holders or by all such joint transferees, as the case may be, and the transferor or the transferors, as the case may be, shall be deemed to remain the holder or holders of such Share, until the name or names of the transferee or the transferees, as the case may be, is or are entered in the Register of Members in respect thereof. Several executors or administrators of a deceased member, proposing to transfer the Share registered in the name of such deceased member, or the nominee or nominees earlier appointed by the said deceased holder of Shares, in pursuance of the Article 73, shall also sign the instrument of transfer in respect of the Share, as if they were the joint holders of the Share.	
54.	Shares in the Company may be transferred by an instrument, in writing, in the form, as shall, from time to time, be approved by the Directors provided that, if so required by the provisions of the Act, such instrument of Transfer shall be in the form prescribed thereunder, and shall be duly stamped and delivered to the Company within the prescribed period. All the provisions of Section 56 of the Act,	

	2013 shall be duly complied with in respect of all transfers of Shares and registration thereof.	
55.	The Board shall have power, on giving 7 (Seven) days' previous notice, by advertisement in some newspaper circulating in the district in which the Registered Office of the Company is, for the time being, situated, to close the transfer books, the Register of Members of Register of Debenture holders, at such time or times and for such periods, not exceeding thirty days at a time and not exceeding in the aggregate forty-five days in each year, as it may seem expedient.	
56.	Subject to the provisions of Section 58 and 59 of the Companies Act 2013, these Articles Section 22A of the Securities Contract (Regulation) Act, 1956 and any other applicable provisions of the Act or any other law for the time being in force, the Board may, refuse, whether in pursuance of any power of the Company under these Articles or otherwise, to register the transfer of, or the transmission by operation of law of the right to, any Shares or interest of a member in, or Debentures of the Company, the Board shall within one month from the date on which the instrument of transfer, or the intimation of such transmission as the case may be, was delivered to the Company, send to the transferee and transferor or to the person giving intimation of such transmission, as the case may be, notice of the refusal to register such transfer, giving reasons for such refusal provided that registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except when the Company has a lien on the Shares. Transfer of Shares/ Debentures in whatever lot shall not be refused.	
57.	An application for the registration of a transfer of Shares in the Company may be made either by the transferor or the transferee. Where such application is made by a transferor and relates to partly paid Shares, the Company shall give notice of the application to the transferee. The transferee may, within two weeks from the date of the receipt of the notice and not later, object to the proposed transfer. The notice to the transferee shall be deemed to have been duly given, if dispatched by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be deemed to have been delivered at the time when it would have been delivered in the ordinary course of post..	
58.	In the case of the death of any one or more of the persons named in the Register of Members as the joint holders of any Share, the survivor or survivors shall be the only persons recognized by the Company as having any title to or interest in such Share, but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on Shares held by him jointly with any other person.	
59.	Subject to the provisions of Article 72 hereunder, the executors or administrators or holders of a such Succession Certificate or the legal representative of a deceased member, not being one of two or more joint holders, shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such member, and the Company shall not be bound to recognize such executors or administrators or holders of a Succession Certificate or the legal representatives, unless such executors or administrators or legal representatives shall have first obtained Probate or Letters of Administration or Succession Certificate, as the case may be, from a duly constituted Court in the Union of India, provided that, in cases, the Board may dispense with production of probate or letters of Administration or Succession Certificate upon such terms as to indemnify or otherwise, as the Board, in its absolute discretion, may think necessary, in the circumstances thereof, and, in pursuance of the Article 61 herein-under, register the name of any person, who claims to be absolutely entitled to the Shares standing in the name of a deceased member, as a member.	
60.	No Share shall, in any circumstances, be transferred to any infant, insolvent or person of unsound mind, and that no Share, partly paid up, be issued, allotted or transferred to any minor, whether alone or along with other transferees or allottees,	



	as the case may be.	
61.	So long as the director having unlimited liability has not discharged all liabilities, whether present or future, in respect of the period for which he is and continues to be, so long, liable, he shall not be entitled to transfer the Shares held by him or cease to be a member of the Stock Exchange(s) to the end and intent that he shall continue to hold such minimum number of Shares as were held by him prior to his becoming a director with unlimited liability.	
62.	Subject to the provisions of Articles 57, 58 and 72 hereof, any person becoming entitled to Shares in consequences of the death, lunacy, bankruptcy or insolvency or any member, or the marriage of any female member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Board, which it shall not be under any obligation to give, upon producing such evidence that he sustains the character in respect of which he proposes to act under the Article or of his title, as the Board thinks sufficient, either be registered himself as the holder of the Share or elect to have some person, nominated by him and approved by the Board, registered as such person, provided, nevertheless, that if such person shall elect to have his nominee registered, he shall testify the election by executing in favor of his nominee an instrument of transfer in accordance with the provisions herein to in these Articles as "The Transmission Article".	
63.	Subject to the provisions of the Act, a person entitled to a Share by transmission shall, subject to the right of the Directors to retain such dividend or money as hereinafter provided, be entitled to receive and may be given a discharge for, any dividends or other moneys payable in respect of the Share.	
64.	No fees shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar document.	
65.	The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of Shares made or purporting to be made by any apparent legal owner thereof, as shown or appearing in the Register of Members, to the prejudice of persons having or claiming any equitable right, title or interest to or in the said Shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting of such transfer, and may have entered such notice, referred thereto, in any book of the Company, and the Company shall not be bound or required to regard or attend or give effect any notice which may be given to it of any equitable right, title or interest, or be under any liability whatsoever refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company, but the Company shall nevertheless be at liberty to regard and attend to any such notice, and give effect thereto if the Board shall so think fit.	
65A	Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its Securities and to offer Securities in a dematerialized form pursuant to the Depositories Act, 1996	
65B	Every holder of or subscriber to Securities of the Company shall have the option to receive Security certificates or to hold the securities with a depository. Such a person who is the beneficial owner of the Securities can at any time opt out of a Depository, if permitted by law, in respect of any Security in the manner provided by the Depositories Act, 1996 and the Company shall in the manner and within the time prescribed, issued to the beneficial owner the required Certificates for the Securities. If a person opts to hold its Security with a Depository, the Company shall intimate such Depository the details of allotment of the Security	
65C	All Securities of the Company held by the Depository shall be dematerialized and be in fungible form. Nothing contained in Sections 89 and 186 of the Act 2013 shall apply to a Depository in respect of the Securities of the Company held by it on behalf of the beneficial owners.	
65D (i)	Notwithstanding anything to the contrary contained in the Act, a Depository shall	

	be deemed to be the registered owner for the purpose of effecting transfer of ownership of Security of the Company on behalf of the beneficial owner.	
(ii)	Save as otherwise provided in (i) above, the Depository as the registered owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it.	
(iii)	Every person holding Securities of the Company and whose name is entered as the beneficial owner in the record of the Depository shall be deemed to be a member of the Company. The beneficial owner of Securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his Securities which are held by a Depository.	
66.	The Company, by resolution in general meeting, may convert any paid up Shares into stock, or may, at any time, reconvert any stock into paid up Shares of any denomination. When any Shares shall have been converted into stock, the several holders of such stock may thenceforth transfer their respective interests therein, or any part of such interest, in the same manner and, subject to the same regulations as to which Shares in the Company may be transferred or as near thereto as circumstances will admit. But the Directors may, from time to time, if they think fit, fix the minimum amount of stock transferable, and restrict or forbid the transfer of fractions of that minimum, but with full power nevertheless, at their discretion, to waive such rules in any particular case. The notice of such conversion of Shares into stock or reconversion of stock into Shares shall be filed with the Registrar of Companies as provided in the Act.	<b>CONVERSION OF SHARES INTO STOCK AND RECONVERSION</b>
67.	The Stock shall confer on the holders thereof respectively the same privileges and advantages, as regards participation in profits and voting at meetings of the Company and, for other purposes, as would have been conferred by Shares of equal amount in the capital of the Company of the same class as the Shares from which such stock was converted but no such privilege or advantage, except the participation in profits of the Company, or in the assets of the Company on a winding up, shall be conferred by any such aliquot part or, consolidated stock as would not, if existing in Shares, have conferred such privileges or advantages. No such conversion shall affect or prejudice any preference or other special privilege attached to the Shares so converted. Save as aforesaid, all the provisions herein contained shall, so far as circumstances will admit, apply to stock as well as to Shares and the words "Share" and "Shareholder" in these presents shall include "stock" and "stock-holder".	
68.	<p>The Company may issue Share warrants in the manner provided by the said Act and accordingly the Directors may, in their discretion, with respect to any fully paid up Share or stock, on application, in writing, signed by the person or all persons registered as holder or holders of the Share or stock, and authenticated by such evidence, if any, as the Directors may, from time to time, require as to the identity of the person or persons signing the application, and on receiving the certificate, if any, of the Share or stock and the amount of the stamp duty on the warrant and such fee as the Directors may, from time to time, prescribe, issue, under the Seal of the Company, a warrant, duly stamped, stating that the bearer of the warrant is entitled to the Shares or stock therein specified, and may provide by coupons or otherwise for the payment of future dividends, or other moneys, on the Shares or stock included in the warrant. On the issue of a Share warrant the names of the persons then entered in the Register of Members as the holder of the Shares or stock specified in the warrant shall be struck off the Register of Members and the following particulars shall be entered therein.</p> <ul style="list-style-type: none"> <li>i. fact of the issue of the warrant.</li> <li>ii. a statement of the Shares or stock included in the warrant distinguishing each Share by its number, and</li> </ul>	



	iii. the date of the issue of the warrant.	
69.	A Share warrant shall entitle the bearer to the Shares or stock included in it, and, notwithstanding anything contained in these articles, the Shares or stock shall be transferred by the delivery of the Share-warrant, and the provisions of the regulations of the Company with respect to transfer and transmission of Shares shall not apply thereto	
70.	The bearer of a Share-warrant shall, on surrender of the warrant to the Company for cancellation, and on payment of such fees, as the Directors may, from time to time, prescribe, be entitled, subject to the discretion of the Directors, to have his name entered as a member in the Register of Members in respect of the Shares or stock included in the warrant.	
71.	The bearer of a Share-warrant shall not be considered to be a member of the Company and accordingly save as herein otherwise expressly provided, no person shall, as the bearer of Share warrant, sign a requisition for calling a meeting of the Company, or attend or vote or exercise any other privileges of a member at a meeting of the Company, or be entitled to receive any notice from the Company of meetings or otherwise, or qualified in respect of the Shares or stock specified in the warrant for being a director of the Company, or have or exercise any other rights of a member of the Company.	
72.	The Directors may, from time to time, make rules as to the terms on which, if they shall think fit, a new Share warrant or coupon may be issued by way of renewal in case of defacement, loss, or destruction.	
73. (i)	Every holder of Securities in the Company may, at any time, nominate, in the prescribed manner, a person to whom his Securities in the Company, shall vest in the event of his death.	<b>NOMINATION BY SECURITY HOLDER</b>
(ii)	Where the Securities in the Company are held by more than one person jointly, the joint holders may together nominate, in the prescribed manner, a person to whom all the rights in the Securities in the Company shall vest in the event of death of all joint holders.	
(iii)	Notwithstanding anything contained in these Articles or any other law, for the time being, in force, or in any disposition, whether testamentary or otherwise, in respect of such Securities in the Company, where a nomination made in the prescribed manner purports to confer on any person the right to vest the Securities in the Company, the nominee shall, on the death of the Shareholders of the Company or, as the case may be, on the death of the joint holders, become entitled to all the rights in the Securities of the Company or, as the case may be, all the joint holders, in relation to such securities in the Company, to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner.	
(iv)	In the case of fully paid up Securities in the Company, where the nominee is a minor, it shall be lawful for the holder of the Securities, to make the nomination to appoint in the prescribed manner any person, being a guardian, to become entitled to Securities in the Company, in the event of his death, during the minority	
74. (i)	Any person who becomes a nominee by virtue of the provisions of the preceding Article, upon the production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either –  a) to be registered himself as holder of the Share(s); or  b) to make such transfer of the Share(s) as the deceased Shareholder could have made.	
(ii)	If the person being a nominee, so becoming entitled, elects to be registered as holder of the Share(s), himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased shareholder.	
(iii)	All the limitations, restrictions and provisions of the Act relating to the right to	

	transfer and the registration of transfers of Securities shall be applicable to any such notice or transfer as aforesaid as if the death of the member had not occurred and the notice or transfer has been signed by that Shareholder.	
(iv)	<p>A person, being a nominee, becoming entitled to a Share by reason of the death of the holder, shall be entitled to the same dividends and other advantages which he would be entitled if he were the registered holder of the Share except that he shall not, before being registered a member in respect of his Share be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:</p> <p>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(s) and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Share(s) or until the requirements of the notice have been complied with.</p>	
75.	<p>(i) The Company shall, in each year, hold a general meeting as its Annual General Meeting. Any meeting, other than Annual General Meeting, shall be called Extra-ordinary General Meeting.</p> <p>(ii) Not more than 15 (Fifteen) months or such other period, as may be prescribed, from time to time, under the Act, shall lapse between the date of one Annual General Meeting and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of the Act to extend time within which any Annual General Meeting may be held.</p> <p>(iii) Every Annual General Meeting shall be called for a time during business hours ie., between 9 a.m. and 6 p.m., on a day that is not a National Holiday, and shall be held at the Office of the Company or at some other place within the city, in which the Office of the Company is situated, as the Board may think fit and determine and the notices calling the Meeting shall specify it as the Annual General Meeting.</p> <p>(iv) Every member of the Company shall be entitled to attend, either in person or by proxy, and by way of a postal ballot whenever and in the manner as may permitted or prescribed under the provisions of the Act, and the Auditors to the Company, who shall have a right to attend and to be heard, at any general meeting which he attends, on any part of the business, which concerns him as the Auditors to the Company, further, the Directors, for the time being, of the Company shall have a right to attend and to be heard, at any general meeting, on any part of the business, which concerns them as the Directors of the Company or generally the management of the Company.</p> <p>(v) At every Annual General Meeting of the Company, there shall be laid, on the table, the Directors' Report and Audited Statements of Account, Auditors' Report, the proxy Register with forms of proxies, as received by the Company, and the Register of Directors' Share holdings, which Register shall remain open and accessible during the continuance of the meeting, and therefore in terms of the provisions of Section 96 of the Act, the Annual General Meeting shall be held within six months after the expiry of such financial year. The Board of Directors shall prepare the Annual List of Members, Summary of the Share Capital, Balance Sheet and Profit and Loss Account and forward the same to the Registrar in accordance with the applicable</p>	MEETING OF MEMBERS

	provisions of the Act.	
76.	The Board may, whenever it thinks fit, call an Extra-ordinary General Meeting and it shall do so upon a requisition, in writing, by any member or members holding, in aggregate not less than one-tenth or such other proportion or value, as may be prescribed, from time to time, under the Act, of such of the paid-up capital as at that date carries the right of voting in regard to the matter, in respect of which the requisition has been made.	
77.	Any valid requisition so made by the members must state the object or objects of the meeting proposed to be called, and must be signed by the requisitionists and be deposited at the office, provided that such requisition may consist of several documents, in like form, each of which has been signed by one or more requisitionists	
78.	Upon receipt of any such requisition, the Board shall forthwith call an Extra-ordinary General Meeting and if they do not proceed within 21 (Twenty-one) days or such other lessor period, as may be prescribed, from time to time, under the Act, from the date of the requisition, being deposited at the office, to cause a meeting to be called on a day not later than 45 (Forty-five) days or such other lessor period, as may be prescribed, from time to time, under the Act, from the date of deposit of the requisition, the requisitionists, or such of their number as represent either a majority in value of the paid up Share capital held by all of them or not less than one-tenth of such of the paid up Share Capital of the Company as is referred to in Section 100(4) of the Act, whichever is less, may themselves call the meeting, but, in either case, any meeting so called shall be held within 3 (Three) months or such other period, as may be prescribed, from time to time, under the Act, from the date of the delivery of the requisition as aforesaid.	
79.	Any meeting called under the foregoing Articles by the requisitionists shall be called in the same manner, as nearly as possible as that in which such meetings are to be called by the Board.	
80.	<p>At least 21 (Twenty-one) days' notice, of every general meeting, Annual or Extra-ordinary, and by whomsoever called, specifying the day, date, place and hour of meeting, and the general nature of the business to be transacted there at, shall be given in the manner hereinafter provided, to such persons as are under these Articles entitled to receive notice from the Company, provided that in the case of an General Meeting, with the consent of members holding not less than 95 per cent of such part of the paid up Share Capital of the Company as gives a right to vote at the meeting, a meeting may be convened by a shorter notice. In the case of an Annual General Meeting of the Shareholders of the Company, if any business other than</p> <p>(i) the consideration of the Accounts, Balance Sheet and Reports of the Board and the Auditors thereon,</p> <p>(ii) the declaration of dividend,</p> <p>(iii) appointment of directors in place of those retiring,</p>	

	<p>(iv) the appointment of, and fixing the remuneration of, the Auditors,</p> <p>is to be transacted, and in the case of any other meeting, in respect of any item of business, a statement setting out all material facts concerning each such item of business, including, in particular, the nature and extent of the interest, if any, therein of every director and manager, if any, where any such item of special business relates to, or affects any other company, the extent of shareholding interest in that other company or every director and manager, if any, of the Company shall also be set out in the statement if the extent of such Share-holding interest is not less than such percent, as may be prescribed, from time to time, under the Act, of the paid-up Share Capital of that other Company.</p> <p>Where any item of business consists of the according of approval of the members to any document at the meeting, the time and place, where such document can be inspected, shall be specified in the statement aforesaid.</p>	
81.	The accidental omission to give any such notice as aforesaid to any of the members, or the non-receipt thereof shall not invalidate any resolution passed at any such meeting.	
82.	No general meeting, whether Annual or Extra-ordinary, shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices upon which it was convened.	
83.	Subject to the provisions of the Act and these Articles, five(5) shareholders shall constitute quorum in Shareholder's Meetings of the Company if number of shareholders as on date of meeting is not more than One Thousand; Fifteen (15) shareholders shall constitute quorum in Shareholder's Meetings of the Company if number of shareholders as on date of meeting is more than One Thousand but not more than Five Thousand; Thirty (30) shareholders shall constitute quorum in Shareholders' Meetings of the Company if number of shareholders as on date of meeting exceeds five thousand.	
84.	A body corporate, being a member, shall be deemed to be personally present, if it is represented in accordance with and in the manner as may be prescribed by, the applicable provisions of the Act.	
85.	If, at the expiration of half an hour from the time appointed for holding a meeting of the Company, a quorum shall not be present, then the meeting, if convened by or upon the requisition of members, shall stand dissolved, but in any other case, it shall stand adjourned to such time on the following day or such other day and to such place, as the Board may determine, and, if no such time and place be determined, to the same day in the next week, at the same time and place in the city or town in which the office of the Company is, for the time being, situate, as the Board may determine, and, if at such adjourned meeting also, a quorum is not present, at the expiration of half an hour from the time appointed for holding the meeting, the members present shall be a quorum, and may transact the business for which the meeting was called.	
86.	The Chairman of the Board of Directors shall be entitled to take the chair at every general meeting, whether Annual or Extra-ordinary. If there be no such Chairman, or, if, at any meeting, he shall not be present within 15 (Fifteen) minutes of the time appointed for holding such meeting, then the members present shall elect another director as the Chairman of that meeting, and, if no director be present, or	

	if all the Directors present decline to take the Chair, then the members present shall elect one among them to be the Chairman.	
87.	No business shall be discussed at any general meeting, except the election of a Chairman, whilst the Chair is vacant.	
88.	The Chairman, with the consent of the meeting, may adjourn any meeting, from time to time, and from place to place, in the city or town, in which the office of the Company is, for the time being, situate, but no business shall be transacted at any adjourned meeting, other than the business left unfinished, at the meeting, from which the adjournment took place.	
89.	At any general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is demanded, before or on the declaration of the result of the show of hands, by any member or members present in person or by proxy and holding Shares in the Company, which confer a power to vote on the resolution not being less than one-tenth or such other proportion as may statutorily be prescribed, from time to time, under the Act, of the total voting power, in respect of the resolution or on which an aggregate sum of not less than Rs. 500,000/- or such other sum as may statutorily be prescribed, from time to time, under the Act, has been paid up, and unless a poll is demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried unanimously or by a particular majority, or has been lost and an entry to that effect in the minutes book of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against that resolution.	
90.	In the case of an equality of votes, the Chairman shall, both on a show of hands and at a poll, if any, have a casting vote in addition to the vote of votes, if any, to which he may be entitled as a member, if he is.	
91.	If a poll is demanded as aforesaid, the same shall, subject to Article 93 herein under, be taken at Mumbai or, if not desired, then at such other place as may be decided by the Board, at such time not later than 48 (Forty-eight) hours from the time when the demand was made and place in the city or town in which the office of the Company is, for the time being, situate, and, either by open voting or by ballot, as the Chairman shall direct, and either at once or after an interval or adjournment, or otherwise, and the result of the poll shall be deemed to be resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn at any time by the persons, who made the demand.	
92.	Where a poll is to be taken, the Chairman of the meeting shall appoint one or, at his discretion, two scrutinisers, who may or may not be members of the Company to scrutinise the votes given on the poll and to report thereon to him, subject to that one of the scrutinisers so appointed shall always be a member, not being an officer or employee of the Company, present at the meeting, provided that such a member is available and willing to be appointed. The Chairman shall have power, at any time, before the result of the poll is declared, to remove a scrutiniser from office and fill the vacancy so caused in the office of a scrutiniser arising from such removal or from any other cause.	
93.	Any poll duly demanded on the election of a Chairman of a meeting or on any question of adjournment of the meeting shall be taken forthwith at the same meeting.	
94.	The demand for a poll, except on questions of the election of the Chairman and of an adjournment thereof, shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been	

	demand.	
95.	No member shall be entitled to vote either personally or by proxy at any general meeting or meeting of a class of Shareholders either upon a show of hands or upon a poll in respect of any Shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has, or has exercised, any right of lien.	VOTES OF MEMBERS
96.	Subject to the provisions of these Articles and without prejudice to any special privileges or restrictions so to voting, for the time being, attached to any class of Shares, for the time being, forming part of the capital of the Company, every member, not disqualified by the last preceding Article shall be entitled to be present, speak and vote at such meeting, and, on a show of hands, every member, present in person, shall have one vote and, upon a poll, the voting right of every member present in person or by proxy shall be in proportion to his Share of the paid-up Equity Share Capital of the Company. Provided, however, if any preference Shareholder be present at any meeting of the Company, subject to the provision of section 47, he shall have a right to vote only on resolutions, placed before the meeting, which directly affect the rights attached to his Preference Shares.	
97.	On a poll taken at a meeting of the Company, a member entitled to more than one vote, or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes, he uses.	
98.	A member of unsound mind or in respect of whom an order has been made by a 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. If any member be a minor, the vote, in respect of his Share or Shares, be used by his guardian, or any one of his guardians, if more than one, to be selected, in the case of dispute, by the Chairman of the meeting.	
99.	If there be joint registered holders of any Shares, any one of such persons may vote at any meeting or may appoint another person, whether a member or not, as his proxy, in respect of such Shares, as if he were solely entitled thereto, but the proxy so appointed shall not have any right to speak at the meeting and, if more than one of such joint holders be present at any meeting, then one of the said persons so present, whose name stands higher on the Register, shall alone be entitled to speak and to vote in respect of such Shares, but the other of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased member in whose name Shares stand shall, for the purpose of these Articles, be deemed joint holders thereof.	
100.	Subject to the provisions of these Articles, votes may be given either personally or by proxy. A body corporate, being a member, may vote either by a proxy or by a representative, duly authorised, in accordance with the applicable provisions, if any, of the Act, and such representative shall be entitled to exercise the same rights and powers, including the right to vote by proxy, on behalf of the body corporate, which he represents, as that body corporate could exercise, if it were an individual member.	
101.	Any person entitled, under the Article 61 hereinabove, to transfer any Share, may vote, at any general meeting, in respect thereof, in the same manner, as if he were the registered holder of such Shares provided that forty-eight hours at least before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall satisfy the Directors of his right to transfer such Shares and give such indemnity, if any, as the Directors may require or the	



	Directors shall have provisionally admitted his right to vote at such meeting in respect thereof.	
102.	Every proxy, whether a member or not, shall be appointed, in writing, under the hand of the appointer or his attorney, or if such appointer is a body corporate under the common seal of such corporate, or be signed by an officer or officers or any attorney duly authorised by it or them, and, for a member of unsound mind or in respect of whom an order has been made by a court having jurisdiction in lunacy, any committee or guardian may appoint such proxy. The proxy so appointed shall not have a right to speak on any matter at the meeting.	
103.	An instrument of Proxy may state the appointment of a proxy either for the purpose of a particular meeting specified in the instrument and any adjournment thereof or it may appoint for the purpose of every meeting of the Company or of every meeting to be held before a date specified in the instrument and every adjournment of any such meeting.	
104.	A member, present by proxy, shall be entitled to vote only on a poll.	
105.	The instrument appointing a proxy and a Power of Attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of authority, shall be deposited at the Office not later than 48 (Forty-eight) hours before the time for holding the meeting at which the person named in the Instrument proposes to vote, and, in default, the Instrument of Proxy shall not be treated as valid. No instrument appointing a proxy shall be a valid after the expiration of 12 (Twelve) months or such other period as may be prescribed under the Laws, for the time being, in force, or if there shall be no law, then as may be decided by the Directors, from the date of its execution.	
106.	Every Instrument of proxy, whether for a specified meeting or otherwise, shall, as nearly as circumstances thereto will admit, be in any of the forms as may be prescribed from time to time .	
107.	A vote, given in accordance with the terms of an Instrument of Proxy, shall be valid notwithstanding the previous death of insanity of the principal, or revocation of the proxy or of any power of Attorney under which such proxy was signed or the transfer of the Share in respect of which the vote is given, provided that no intimation, in writing, of the death or insanity, revocation or transfer shall have been received at the Office before the meeting.	
108.	No objections shall be made to the validity of any vote, except at any meeting or poll at which such vote shall be tendered, and every vote, whether given personally or by proxy, or not disallowed at such meeting or on a poll, shall be deemed as valid for all purposes of such meeting or a poll whatsoever.	
109.	The Chairman, present at the time of taking of a poll, shall be the sole judge of the validity of every vote tendered at such poll.	
110.	<p>(i) The Company shall cause minutes of all proceeding of every general meeting to be kept by making, within 30 (Thirty) days of the conclusion of every such meeting concerned, entries thereof in books kept, whether manually in the registers or by way of loose leaves bound together, as may be decided by the Board of Directors, for that purpose with their pages consecutively numbered.</p> <p>(ii) Each page of every such book shall be initialled or signed and the last page</p>	

	<p>of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the same meeting within the aforesaid period of thirty days or in the event of the death or inability of that Chairman within that period, by a director duly authorised by the Board for that purpose.</p> <p>(iii) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.</p> <p>(iv) The minutes of each meeting shall contain a fair and correct summary of the proceedings there at.</p> <p>(v) All appointments made at any meeting aforesaid shall be included in the minutes of the meeting.</p> <p>(vi) Nothing herein contained shall require or to be deemed to require the inclusion, in any such minutes, of any matter, which, in the opinion of the Chairman of the meeting, (i) is or could reasonably be regarded as, defamatory of any person, or (ii) is irrelevant or immaterial to the proceedings, or (iii) is detrimental to the interests of the Company. The Chairman of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the aforesaid grounds.</p> <p>(vii) Any such minutes shall be conclusive evidence of the proceedings recorded therein.</p> <p>(viii) The book containing the minutes of proceedings of general meetings shall be kept at the Office of the Company and shall be open, during business hours, for such periods not being less in the aggregate than 2 (Two) hours, in each day, as the Directors determine, to the inspection of any member without charge.</p>	
111.	<p>Until otherwise determined by a general meeting of the Company and, subject to the applicable provisions of the Act, the number of Directors) shall not be less than three nor more than fifteen.</p> <p>The First Directors of the Company are:</p> <ol style="list-style-type: none"> <li>1. Mr. Dinesh Kargal</li> <li>2. Mrs. Shashikala Kargal</li> </ol>	
112.	<p>(i) Whenever, Directors enter into a contract with any Government, whether central, state or local, bank or financial institution or any person or persons (hereinafter referred to as “the appointer”) for borrowing any money or for providing any guarantee or security or for technical collaboration or assistance or for underwriting or enter into any other arrangement whatsoever or in case of Promoters of the Company (hereinafter referred as “Promoters”), the Directors shall have, subject to the provisions of Section 152 and other applicable provisions, if any, of the Act, the power to agree that such appointer or Promoters shall have the right to appoint or nominate by a notice, in writing, addressed to the Company, one or more Directors on the Board (hereinafter referred to as “Special Director”) for such period and upon such terms and conditions, as may be mentioned in the agreement if any, and that such Director or Directors may or may not be liable to retire by rotation, nor be required to hold any qualification Shares. The Directors may also agree that any such Director or Directors may be removed, from time to time, by the appointer or Promoter, entitled to appoint or nominate them and the appointer or Promoter may appoint another or others in his or their place and also fill in vacancy, which may occur as a result of any such director or directors ceasing to hold that office for any reasons whatsoever. The directors, appointed or</p>	<b>DIRECTORS</b>



	<p>nominated under this Article, shall be entitled to exercise and enjoy all or any of the rights and privileges exercised and enjoyed by the directors of the Company including payment of remuneration, sitting fees and travelling expenses to such director or directors, as may be agreed by the Company with the appointer.</p> <p>(ii) The Special Directors, appointed under the preceding Article, shall be entitled to hold Office until required by the Government, person, firm, body corporate promoters or financial institution/s who may have appointed them. A Special Director shall not be required to hold any qualification Share(s) in the Company. As and when a Special Director vacates Office, whether upon request as aforesaid or by death, resignation or otherwise, the Government, person, firm or body corporate promoters or financial institution, who appointed such Special Director, may appoint another director in his place. Every nomination, appointment or removal of a Special Director or other notification, under this Article, shall be in writing and shall, in the case of the Government, be under the hand of a Secretary or some other responsible and authorised official to such Government, and in the case of a company or financial institution, under the hand of director of such company or institution duly authorised in that behalf by a resolution of the Board of Directors. Subject as aforesaid, a Special Director shall be entitled to the same rights and privileges and be subject to the same of obligations as any other director of the Company.</p>	
113.	<p>If it is provided by the Trust Deed, securing or otherwise, in connection with any issue of Debentures of the Company, that any person or persons shall have power to nominate a director of the Company, then in the case of any and every such issue of Debentures, the person or persons having such power may exercise such power, from time to time, and appoint a director accordingly. Any director so appointed is hereinafter referred to as “the Debenture Director”. A Debenture Director may be removed from Office, at any time, by the person or persons in whom, for the time being, is vested the power, under which he was appointed, and another director may be appointed in his place. A Debenture Director shall not be required to hold any qualification Share(s) in the Company.</p>	
114.	<p>Subject to the provisions of section 161(2) of the Act, 2013, The Board may appoint an alternate director to act for a director (hereinafter called “the Original Director”) during his absence for a period of not less than 3 (Three) months or such other period as may be, from time to time, prescribed under the Act, from the India, in which the meetings of Board are ordinarily held. An alternate director appointed, under this Article, shall not hold Office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate Office, if and when the Original Director returns to that State. If the term of Office of the Original Director is determined before he so returns to that State, any provisions in the Act or in these Articles for the automatic re-appointment of a retiring director, in default of another appointment, shall apply to the original director and not to the alternate director.</p>	
115.	<p>Subject to the provisions of section 161(1) of the Act, 2013, the Board shall have power, at any time and from time to time, to appoint any other qualified person to be an Additional Director, but so that the total number of Directors shall not, at any time, exceed the maximum fixed under these Articles. Any such Additional Director shall hold Office only upto the date of the next Annual General Meeting</p>	
116.	<p>Subject to the provisions of section 152 and 162 of the Act, 2013, the Board shall have power, at any time and from time to time, to appoint any other qualified person to be a director to fill a casual vacancy. Any person so appointed shall hold</p>	

	Office only upto the date, upto which the director in whose place he is appointed would have held Office if it had not been vacated by him.	
117.	A director shall not be required to hold any qualification Share(s) in the Company.	
118.	<p>(i) Subject to the provisions of section 196, 197 and read with schedule V of the Companies Act, 2013, a Managing Director or Director who is in the Whole-time employment of the Company may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other, or in any other manner, as may be, from time to time, permitted under the Act or as may be thought fit and proper by the Board or, if prescribed under the Act, by the Company in general meeting.</p> <p>(ii) Subject generally to the provisions of the Act, and, in the case of the Managing Director, subject to the provisions of the Articles herein below, as may be applicable, the Board shall have power to pay such remuneration to a director for his services, Whole-time or otherwise, rendered to the Company or for services of professional or other nature rendered by him, as may be determined by the Board. If any director, being willing, shall be called upon to perform extra services or make any special exception in going to or residing at a place other than the place where the director usually resides, or otherwise in or for the Company's business or for any of the purpose of the Company, then, subject to the provisions of the Act, the Board shall have power to pay to such director such remuneration, as may be determined by the Board.</p> <p>(iii) Subject to the provisions of the Act, a director, who is neither in the Whole-time employment nor a Managing Director, may be paid remuneration either;</p> <p>(a) by way of monthly, quarterly or annual payment with the approval of the Central Government; or</p> <p>(b) by way of commission, if the Company, by a special resolution, authorizes such payment.</p> <p>(iv) The fee payable to a director, excluding a Managing or Whole time Director, if any, for attending a meeting of the Board or Committee thereof shall be such sum, as the Board may, from time to time, determine, but within and subject to the limit prescribed by the Central Government pursuant to the provisions, for the time being, under the Act.</p>	
119.	The Board may allow and pay to any director such sum, as the Board may consider fair compensation, for travelling, boarding, lodging and other expenses, in addition to his fee for attending such meeting as above specified and if any director be called upon to go or reside out of the ordinary place of his residence for the Company's business, he shall be entitled to be repaid and reimbursed of any travelling or other expenses incurred in connection with business of the Company. The Board may also permit the use of the Company's car or other vehicle, telephone(s) or any such other facility, by the director, only for the business of the Company.	
120.	The continuing Directors may act, notwithstanding, any vacancy in their body but if, and so long as their number is not reduced below the minimum number fixed by Article 111 hereof. the continuing Directors, not being less than two, may only act, for the purpose of increasing the number of Directors to that prescribed	

	minimum number or of summoning a general meeting but for no other purpose.	
121.	The office of director shall be vacated, pursuant to the provisions of section 164 and section 167 of the Companies Act, 2013. Further, the Director may resign his office by giving notice to the Company pursuant to section 168 of the Companies Act, 2013	
122.	The Company shall keep a Register, in accordance with Section 189(1) of the Act, and within the time as may be prescribed, enter therein such of the particulars, as may be relevant having regard to the application thereto of Section 184 or Section 188 of the Act, as the case may be. The Register aforesaid shall also specify, in relation to each director of the Company, names of the bodies corporate and firms of which notice has been given by him, under the preceding two Articles. The Register shall be kept at the Office of the Company and shall be open to inspection at such Office, and the extracts may be taken there from and copies thereof may be required by any member of the Company to the same extent, in the same manner, and on payment of the same fee as in the case of the Register of Members of the Company and the provisions of Section 189(3) of the Act shall apply accordingly.	
123.	A director may be or become a director of any other Company promoted by the Company or in which it may be interested as a vendor, Shareholder or otherwise, and no such director shall be accountable for any benefits received as director or Shareholder of such Company except in so far as the provisions of the Act may be applicable.	
124.	<p>(i) At every Annual General Meeting of the Company, one-third of such of the Directors, for the time being, as are liable to retire by rotation or if their number is not three or a multiple of three, the number nearest to one-third shall retire from Office. The Independent, Nominee, Special and Debenture Directors, if any, shall not be subject to retirement under this clause and shall not be taken into account in determining the rotation of retirement or the number of directors to retire, subject to Section 152 and other applicable provisions, if any, of the Act.</p> <p>(ii) Subject to Section 152 of the Act, the directors, liable to retire by rotation, at every annual general meeting, shall be those, who have been longest in Office since their last appointment, but as between the persons, who became Directors on the same day, and those who are liable to retire by rotation, shall, in default of and subject to any agreement among themselves, be determined by lot.</p>	
125.	A retiring director shall be eligible for re-election and shall act as a director throughout the meeting at which he retires.	
126.	Subject to Section 152 of the Act, the Company, at the general meeting at which a director retires in manner aforesaid, may fill up the vacated Office by electing a person thereto.	
127.	<p>(i) If the place of retiring director is not so filled up and further the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place or if that day is a public holiday, till the next succeeding day, which is not a public holiday, at the same time and place.</p> <p>(ii) If at the adjourned meeting also, the place of the retiring director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring director shall be deemed to have been re-appointed at the adjourned meetings, unless:-</p> <p>(a) at that meeting or at the previous meeting, resolution for the re-appointment of such director has been put to the meeting and lost;</p> <p>(b) the retiring director has, by a notice, in writing, addressed to the</p>	

	<p>Company or its Board, expressed his unwillingness to be so re-appointed;</p> <p>(c) he is not qualified, or is disqualified, for appointment.</p> <p>(d) a resolution, whether special or ordinary, is required for the appointment or re-appointment by virtue of any provisions of the Act; or</p> <p>(e) Section 162 of the Act is applicable to the case.</p>	
128.	Subject to the provisions of Section 149 of the Act, the Company may, by special resolution, from time to time, increase or reduce the number of directors, and may alter their qualifications and the Company may, subject to the provisions of Section 169 of the Act, remove any director before the expiration of his period of Office and appoint another qualified person in his stead. The person so appointed shall hold Office during such time as the director, in whose place he is appointed, would have held, had he not been removed.	
129.	<p>[i] No person, not being a retiring director, shall be eligible for appointment to the office of director at any general meeting unless he or some member, intending to propose him, has, not less than 14 (Fourteen) days or such other period, as may be prescribed, from time to time, under the Act, before the meeting, left at the Office of the Company, a notice, in writing, under his hand, signifying his candidature for the Office of director or an intention of such member to propose him as a candidate for that office, along with a deposit of Rupees One lakh or such other amount as may be prescribed, from time to time, under the Act,, which shall be refunded to such person or, as the case may be, to such member, if the person succeeds in getting elected as a director or gets more than twenty-five per cent of total valid votes cast either on show of hands or on poll on such resolution.</p> <p>[ii] Every person, other than a director retiring by rotation or otherwise or a person who has left at the Office of the Company a notice under Section 160 of the Act signifying his candidature for the Office of a director, proposed as a candidate for the Office of a director shall sign and file with the Company, the consent, in writing, to act as a director, if appointed.</p> <p>[iii] A person, other than a director re-appointed after retirement by rotation immediately on the expiry of his term of Office, or an Additional or Alternate Director, or a person filling a casual vacancy in the Office of a director under Section 161 of the Act, appointed as a director or reappointed as a director immediately on the expiry of his term of Office, shall not act as a director of the Company, unless he has, within thirty days of his appointment, signed and filed with the Registrar his consent, in writing, to act as such director.</p>	
130.	The Company shall keep at its Office a Register containing the particulars of its directors and key managerial personnel and their shareholding as mentioned in Section 170 of the Act, and shall otherwise comply with the provisions of the said Section in all respects.	
131.	Every director and Key Managerial Personnel within a period of thirty days of his appointment, or relinquishment of his office, as the case may be, disclose to the company the particulars specified in sub-section (1) of section 184 relating to his concern or interest in any company or companies or bodies corporate (including shareholding interest), firms or other association which are required to be included in the register under that section 189 of the Companies Act, 2013.	
132.	(i) Subject to the provisions of the Act and of these Articles, the Board shall have power to appoint, from time to time, any of its member as a Managing Director or Managing Directors of the Company for a fixed term, not exceeding 5 (Five) years at a time, and upon such terms and conditions as the Board thinks fit, and subject to the provisions of the succeeding Article hereof, the Board may, by resolution, vest in such Managing Director or Managing Directors such of the powers hereby vested in the Board generally, as it thinks fit, and such powers may be made	

	<p>exercisable for such period or periods; and upon such conditions and subject to such restrictions, as it may determine. The remuneration of a Managing Director may be by way of salary and/or allowances, commission or participation in profits or perquisites of any kind, nature or description, or by any or all of these modes, or by any other mode(s) not expressly prohibited by the Act or the Rules made thereunder, or any notification or circular issued under the Act.</p> <p>(ii) The Board shall have power to appoint an individual as the Chairperson of the Company as well as the Managing Director or Chief Executive Officer of the Company at the same time</p>	<b>MANAGING DIRECTOR</b>
133.	Subject to the superintendence, directions and control of the Board, the Managing Director or Managing Directors shall exercise the powers, except to the extent mentioned in the matters, in respect of which resolutions are required to be passed only at the meeting of the Board, under Section 179 of the Act and the rules made thereunder.	
134.	<p>Subject also to the other applicable provisions, if any, of the Act, the Company shall not appoint or employ, or continue the appointment or employment of, a person as its Managing or Whole-time Director who :-</p> <p>(i) is below the age of twenty-one years or has attained the age of seventy years</p> <p>(ii) is an undischarged insolvent, or has any time been adjudged an insolvent;</p> <p>(iii) suspends, or has at any time suspended, payment to his creditors, or makes or has, at any time, made, a composition with them; or</p> <p>(iv) is or has, at any time, been convicted by a Court and sentenced for a period of more than six months.</p>	
135.	Unless decided by the Board to the contrary, depending upon the circumstances of the case, a Managing Director shall not, while he continues to hold that office, be subject to retirement by rotation, in accordance with the Article 124 hereof. If he ceases to hold the office of director, he shall ipso-facto and forthwith ceases to hold the office of Managing Director.	
136.	The Directors may meet together as a Board for the dispatch of business, from time to time, and shall so meet at least once in every 3 (Three) months and at least 4 (Four) such meetings shall be held in every year in such a manner that not more than one hundred and twenty days (120) days shall intervene between two consecutive meetings of the Board. The Directors may adjourn and otherwise regulate their meetings as they think fit, subject to the provisions of the Act. The Board of directors may participate in a meeting of the Board either in person or through video conferencing or other audio visual means, as may be prescribed, which are capable of recording and recognising the participation of the directors and of recording and storing the proceedings of such meetings along with date and time subject to the rules as may be prescribed.	<b>PROCEEDINGS OF THE BOARD OF DIRECTORS</b>
137.	Not less than seven (7) days Notice of every meeting of the Board may be given, in writing, in writing to every director at his address registered with the company and such notice shall be sent by hand delivery or by post or by electronic means. Subject to the provisions of section 173(3) meeting may be called at shorter notice.	
138.	Subject to Section 174 of the Act, the quorum for a meeting of the Board shall be one-third of its total strength, excluding Directors, if any, whose places may be vacant at the time and any fraction contained in that one-third being rounded off as one, or two directors, whichever is higher, provided that where, at any time, the number of interested directors exceeds or is equal to two-thirds of the total strength the number of the remaining directors, that is to say, the number of directors who are not interested, present at the meeting, being not less than two, shall be the quorum, during such time.	

139.	If a meeting of the Board could not be held for want of quorum, then the meeting shall automatically stand adjourned for 30 minutes in the same day and at same place.	
140.	A director may, at any time, or Secretary shall, as and when directed by the any of the Directors to do so, convene a meeting of the Board, by giving a notice, in writing, to every other director.	
141.	The Board may, from time to time, elect one of their member to be the Chairman of the Board and determine the period for which he is to hold the office. If at any meeting of the Board, the Chairman is not present at a time appointed for holding the same, the directors present shall choose one of them, being present, to be the Chairman of such meeting.	
142.	Subject to the restrictive provisions of any agreement or understanding as entered into by the Company with any other person(s) such as the collaborators, financial institutions, etc., the questions arising at any meeting of the Board shall be decided by a majority of the votes of the directors present there at and, also subject to the foregoing, in the case of an equality of votes, the Chairman shall have a second or casting vote.	
143.	A meeting of the Board, at which a quorum is present, shall be competent to exercise all or any of the authorities, powers and discretions, which, by or under the Act or the Articles of the Company, are, for the time being, vested in or exercisable by the Board generally.	
144.	Subject to the restrictions contained in Section 179 of the Act 2013 and the rules made thereunder, the Board may delegate any of their powers to the committee of the Board, consisting of such number of its body, as it thinks fit, and it may, from time to time, revoke and discharge any such committee of the Board, either wholly or in part and either as to persons or purposes, but every committee of the Board, so formed, shall, in the exercise of the powers so delegated, conform to any regulations that may, from time to time, be imposed on it by the Board. All acts done by any such committee of the Board, in conformity with such regulations, and in fulfilment of the purposes of their appointment but not otherwise, shall have the like force and effect as if were done by the Board.	
145.	The meetings and proceedings of any meeting of such Committee of the Board, consisting of two or more members, shall be governed by the provisions contained herein for regulating the meetings and proceedings of the meetings of the directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.	
146.	No resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, unless the resolution has been circulated in draft, together with the necessary papers, if any, to all the directors or to all the members of the Committee, then in India, not being less in number than the quorum fixed for a meeting of the Board or Committee, as the case may be, and to all the directors or to all the members of the Committee, at their usual addresses in India and has been approved, in writing, by such of the directors or members of the Committee as are then in India, or by a majority of such of them, as are entitled to vote on the resolution.	
147.	All acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a director shall notwithstanding that it shall, afterwards, be discovered that there was some defect in the appointment of such director or persons acting as aforesaid or that they or any of them were or was, as the case may be, disqualified or had vacated office or that the appointment of any of them was disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had duly been appointed and was qualified to be a director and had not vacated his office or his appointed had not been terminated, provided that nothing in this Article shall be deemed to give validity to any act or	



	acts done by a director or directors after his or their appointment(s) has or have been shown to the Company to be invalid or to have terminated.	
148.	<p>(i) The Company shall cause minutes of all proceedings of every meeting of the Board and the Committee thereof to be kept by making, within 30 (Thirty) days of the conclusion of each such meeting, entries thereof in books kept, whether manually in the registers or by way of loose leaves bound together, as may be decided by the Board of Directors, for that purpose with their pages consecutively numbered.</p> <p>(ii) Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting.</p> <p>(iii) In no case, the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.</p> <p>(iv) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.</p> <p>(v) All appointment made at any of the meetings aforesaid shall be included in the minutes of the meeting.</p> <p>(vi) The minutes shall also contain :-  (a) the names of the Directors present at the meeting; and  (b) in the case of each resolution passed at the meeting, the names of the directors, if any dissenting from or not concurring in the resolution.</p> <p>(vii) Nothing contained in sub-clauses (i) to (vii) shall be deemed to require the inclusion in any such minutes of any matter which, in the opinion of the Chairman of the meeting -  (a) is, or could reasonably be regarded as, defamatory of any person;  (b) is irrelevant or immaterial to the proceedings; or  (c) is detrimental to the interests of the Company;  and that the Chairman shall exercise an absolute discretion with regard to the inclusion or non-inclusion of any matter in the minutes on the ground specified in this sub-clause.</p> <p>(viii) Minutes of the meetings kept in accordance with the aforesaid provisions shall be an evidence of the proceedings recorded therein.</p>	
149.	<p>Without prejudice to the general powers as well as those under the Act, and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles or otherwise, it is hereby declared that the Directors shall have, inter alia, the following powers, that is to say, power –</p> <p>(i) to pay the costs, charges and expenses, preliminary and incidental to the promotion, formation, establishment and registration of the Company;</p> <p>(ii) to pay and charge, to the account of the Company, any commission or interest lawfully payable thereon under the provision of the Act;</p> <p>(iii) subject to the provisions of the Act, to purchase or otherwise acquire for the Company any property, rights or privileges, which the Company is authorised to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit and being in the interests of the Company, and in any such purchase or other acquisition to accept such title or to obtain such right as</p>	

	<p>the directors may believe or may be advised to be reasonably satisfactory;</p> <p>(iv) at their discretion and subject to the provisions of the Act, to pay for any property, right or privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in Shares, Bonds, Debentures, mortgages, or other securities of the Company, and any such Shares may be issued either as fully paid up, with such amount credited as paid up thereon, as may be agreed upon, and any such bonds, Debentures, mortgages or other securities may either be specifically charged upon all or any part of the properties of the Company and its uncalled capital or not so charged;</p> <p>(v) to secure the fulfilment of any contracts or engagement entered into by the Company or, in the interests or for the purposes of this Company, by, with or against any other Company, firm or person, by mortgage or charge of all or any of the properties of the Company and its uncalled capital, for the time being, or in such manner and to such extent as they may think fit;</p> <p>(vi) to accept from any member, as far as may be permissible by law, a surrender of his Shares or any part thereof, whether under buy-back or otherwise, on such terms and conditions as shall be agreed mutually, and as may be permitted, from time to time, under the Act or any other Law or the Regulations, for the time being, in force,</p> <p>(vii) to appoint any person to accept and hold in trust, for the Company, any property belonging to the Company, in which it is interested, or for any other purposes, and execute and do all such deeds and things as may be required in relation to any trust, and to provide for the remuneration of such trustee or trustees;</p> <p>(viii) to institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its Officers, or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts, due and of any differences to arbitration and observe and perform any awards made thereon;</p> <p>(ix) to act on behalf of the Company in all matters relating to bankruptcy and insolvents;</p> <p>(x) to make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company;</p> <p>(xi) subject to the applicable provisions of the Act, to invest and deal with any moneys of the Company not immediately required for the purposes thereof upon such security, not being Shares of this Company, or without security and in such manner, as they may think fit, and from time to time, to vary or realise such investments, save as provided in Section 49 of the Act, all investments shall be made and held in the Company's own name;</p> <p>(xii) to execute, in the name and on behalf of the Company, in favour of any director or other person, who may incur or be about to incur any personal liability whether as principal or surety, for the benefit or purposes of the Company, such mortgages of the Company's property, present and future, as they may think fit, and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon;</p> <p>(xiii) to determine from time to time, who shall be entitled to sign, on behalf of the Company, bills, invoices, notes, receipts, acceptances, endorsements, cheques,</p>	
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	<p>dividend warrants, releases, contracts and or any other document or documents and to give the necessary authority for such purpose, and further to operate the banking or any other kinds of accounts, maintained in the name of and for the business of the Company;</p> <p>(xiv) to distribute, by way of bonus, incentive or otherwise, amongst the employees of the Company, a Share or Shares in the profits of the Company, and to give to any staff, officer or others employed by the Company a commission on the profits of any particular business or transaction, and to charge any such bonus, incentive or commission paid by the Company as a part of the operational expenditure of the Company;</p> <p>(xv) to provide for the welfare of directors or ex-directors, Shareholders, for the time being, or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses or dwellings, or grants of moneys, whether as a gift or otherwise, pension, gratuities, allowances, bonus, loyalty bonuses or other payments, also whether by way of monetary payments or otherwise, or by creating and from time to time, subscribing or contributing to provident and other association, institutions, funds or trusts and by providing or subscribing or contributing towards places of worship, instructions and recreation, hospitals and dispensaries, medical and other attendance and other assistance, as the Board shall think fit, and to subscribe or contribute or otherwise to assist or to guarantee money to charitable benevolent, religious, scientific, national or other institutions or objects, which shall have any moral or other claim to support or aid by the Company, either by reason of locality or place of operations, or of public and general utility or otherwise;</p> <p>(xvi) before recommending any dividend, to set aside out of the profits of the Company such sums, as the Board may think proper, for depreciation or to a Depreciation Fund, or to an Insurance Fund, a Reserve Fund, Capital Redemption Fund, Dividend Equalisation Fund, Sinking Fund or any Special Fund to meet contingencies or to repay debentures or debenture-stock, or for special dividends or for equalising dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes, including the purposes referred to in the preceding clause, as the Board may, in their absolute discretion, think conducive to the interests of the Company and, subject to the provisions of the Act, to invest the several sums so set aside or so much thereof, as required to be invested, upon such investments, other than shares of the Company, as they may think fit, and from time to time, to deal with and vary such investments and dispose off and apply and expend all or any part thereof for the benefit of the Company, in such manner and for such purposes, as the Board, in their absolute discretion, think conducive to the interests of the Company, notwithstanding, that the matter, to which the Board apply or upon which they expend the same, or any part thereof, may be matters to or upon which the capital moneys of the Company might rightly be applied or expended, and to divide the Reserve Fund into such special funds, as the Board may think fit, with full power to transfer the whole or any portion of a Reserve Fund or divisions of a Reserve Fund and with full powers to employ the assets constituting all or any of the above funds, including the Depreciation Fund, in the business of the Company or in the purchase of or repayment of debentures or debenture stock and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with power however to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper, subject to the provisions of the applicable laws, for the time being, in force.</p>	
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	<p>(xvii) to appoint and at their discretion, remove or suspend such general managers, secretaries, assistants, supervisors, clerks, agents and servants or other employees, in or for permanent, temporary or special services, as they may, from time to time, think fit, and to determine their powers and duties and to fix their salaries, emoluments or remuneration of such amount, as they may think fit.</p> <p>(xviii) to comply with the requirements of any local laws, Rules or Regulations, which, in their opinion, it shall, in the interests of the Company, be necessary or expedient to comply with.</p> <p>(xix) at any time, and from time to time, by power of attorney, under the Seal of the Company, to appoint any person or persons to be the attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions, not exceeding those vested in or exercisable by the Board under these presents and excluding the powers to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys, and for such period and subject to such conditions as the Board may, from time to time, think fit, and any such appointment may, if the Board thinks fit, be made in favour of the members or in favour of any Company, or the Share-holders, directors, nominees, or managers of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such Power of Attorney may contain such powers for the protection of convenience of person dealing with such Attorneys, as the Board may think fit, and may contain powers enabling any such delegates all or any of the powers, authorities and discretions, for the time being, vested in them;</p> <p>(xx) Subject to the provisions of the Act, for or in relation to any of the matters, aforesaid or otherwise, for the purposes of the Company, to enter into all such negotiations and contracts, and rescind and vary all such contracts, and execute and do all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company, as they may consider expedient;</p> <p>(xxi) from time to time, make, vary and repeal bylaws for the regulation of the business of the Company, its Officers and Servants.</p>	
150.	The Company shall not appoint or employ, at the same time, more than one of the following categories of managerial personnel, namely (i) Managing Director, and (ii) Manager	<b>MANAGEMENT</b>
151.	<p>Subject to the provisions of the Act,—</p> <p>(i) A chief executive officer, manager, company secretary, 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, chief financial officer so appointed may be removed by means of a resolution of the Board;</p> <p>(ii) A director may be appointed as chief executive officer, manager, company secretary, chief financial officer.</p>	<b>CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER</b>
152.	A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary, 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, chief financial officer.	
153.	Copies of the Memorandum and Articles of Association of the Company and other documents, referred to in Section 17 of the Act, shall be sent by the Company to every member, at his request, within 7 (Seven) days of the request, on payment, if	<b>COPIES OF MEMORANDUM AND ARTICLES</b>

	required by the Board, of the sum of Re.1/- (Rupee One Only) or such other higher sum, as may be prescribed, from time to time, under the Act and further decided, from time to time, by the Board, for each such copy.	<b>TO BE SENT TO MEMBERS</b>
154.	<p>(i) The Board shall provide a Common Seal for the purposes of the Company, and shall have power, from time to time, to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal, for the time being, and that the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given. The Common Seal of the Company shall be kept at its office or at such other place, in India, as the Board thinks fit.</p> <p>(ii) The Common Seal of the Company shall be used by or under the authority of the Directors or by a Committee of the Board of Directors authorised by it in that behalf in the presence of at least one director, or Secretary or any other responsible officer of the Company as may be expressly authorised by the Board by way of a resolution passed at their duly constituted meeting, who shall sign every instrument to which the seal is affixed. Such instruments may also be counter-signed by other officer or officers, if any, appointed for the purpose. However, the certificates, relating to Shares or Debentures in or of the Company, shall be signed in such manner as may be prescribed in the Act and/or any Rules thereunder.</p>	<b>SEAL</b>
155.	The profits of the Company, subject to any special rights relating thereto created or authorised to be created by these Articles, and further subject to the provisions of these Articles, shall be divisible among the members in proportion to the amount of capital paid up or credited as paid up to the Shares held by them respectively.	<b>DIVIDEND</b>
156.	The Company, in general meeting, may declare that dividends be paid to the members according to their respective rights, but no dividends shall exceed the amount recommended by the Board, but the Company may, in general meeting, declare a smaller dividend than was recommended by the Board.	
157.	<p>Subject to the applicable provisions of the Act, no dividend shall be declared or paid otherwise than out of profits of the financial year arrived at after providing for depreciation in accordance with the provisions of the Act or out of the profits of the Company for any previous financial year or years arrived at after providing for depreciation in accordance with these provisions and remaining undistributed or out of both provided that :-</p> <p>(i) if the Company has not provided for any previous financial year or years it shall, before declaring or paying a dividend for any financial year, provide for such depreciation out of the profits of the financial year or out of the profits of any other previous financial year or years;</p> <p>(ii) if the Company has incurred any loss in any previous financial year or years the amount of loss or an amount which is equal to the amount provided for depreciation for that year or those years whichever is less, shall be set off against the profits of the Company for the year for which the dividend is proposed to be declared or paid as against the profits of the Company for any financial year or years arrived at in both cases after providing for depreciation in accordance with the provisions of schedule II of the Act</p>	
158.	The Board may, from time to time, pay to the members such interim dividend, as in their judgement, the position of the Company justifies.	
159.	Where capital is paid in advance of calls, such capital may carry interest as may be decided, from time to time, by the Board, but shall not, in respect thereof, confer a right to dividend or to participate in profits.	
160.	All dividends shall be apportioned and paid proportionately to the amounts paid up on the shares during which any portion or portions of the period in respect of which the dividend is paid up; but if any Share is issued on the terms providing that it	

	shall rank for dividend as from a particular date or on such preferred rights, such Share shall rank for dividend accordingly.	
161.	The Board may retain the dividends payable upon Shares in respect of which any person is, under the Article 61 hereinabove, entitled to become a member, or which any person under that article is entitled to transfer until such person shall become a member in respect of such Shares, or shall duly transfer the same and until such transfer of Shares has been registered by the Company, notwithstanding anything contained in any other provision of the Act or these Articles, the provisions of Section 206A of the Act or the corresponding section of Act, 2013 as and when notified shall apply.	
162.	Any one of several persons, who are registered as joint holders of any Share, may give effectual receipts for all dividends or bonus and payments on account of dividends or bonus or other moneys payable in respect of such Shares.	
163.	No member shall be entitled to receive payment of any interest or dividend in respect of his Share or Shares, whilst any money may be due or owing from him to the Company in respect of such Share or Shares or otherwise howsoever, either alone or jointly with any other person or persons, and the Board may deduct, from the interest or dividend payable to any member, all sums of money so due from him to the Company.	
164.	Subject to the applicable provisions, if any, of the Act, a transfer of Shares shall not pass the right to any dividend declared thereon and made effective from the date prior to the registration of the transfer.	
165.	Unless otherwise directed, any dividend may be paid up by cheque or warrant or by a pay-slip sent through the post to the registered address of the member or person entitled, or, in the case of joint holders, to that one of them first named in the Register in respect of the joint holdings. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or warrant or pay-slip lost in transmission or for any dividend lost to the member or person entitled thereto due to or by the forged endorsement of any cheque or warrant or the fraudulent recovery of the dividend by any other means.	
166.	<p>(i) If the Company has declared a dividend but which has not been paid or claimed within 30 (Thirty) days from the date of declaration the Company shall transfer the total amount of dividend which remains unpaid or unclaimed within the said period of 30 (Thirty) days a special account to be opened by the Company in that behalf in any scheduled Bank called "the Unpaid Dividend Account of..... Limited". The Company shall within a period of ninety days of making any transfer of an amount to the Unpaid Dividend Account, prepare a statement containing the names, their last known addresses and the unpaid dividend to be paid to each person and place it on the website of the Company and also on any other website approved by the Central Government, for this purpose. No unclaimed or unpaid dividend shall be forfeited by the Board before the claim becomes barred by law.</p> <p>(ii) Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of 7 (Seven) years, from the date of such transfer shall be transferred by the Company to the Fund known as the Investor Education and Protection Fund established under Section 125 of the Act 2013.</p>	
167.	Subject to the provisions of the Act, no unpaid dividend shall bear interest as against the Company.	
168.	Any general meeting declaring a dividend may, on the recommendation of the Directors, make a call on the members of such amount as the meeting decides, but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend and the dividend may, if so arranged between the Company and the members, be set off against the	

	calls.	
169.	<p>(i) The Company, in general meeting, may resolve that any moneys, investments or other assets forming part of the undivided profits of the Company standing to the credit of the Reserve Fund, or any Capital Redemption Reserve Account or in the hands of the Company and available for dividend, or representing premium received on the issue of Shares and standing to the credit of the Share Premium Account, be capitalised and distributed amongst such of the Shareholders as would be entitled to receive the same, if distributed by way of dividend, and in the same proportion on the footing that they become entitled thereto as capital, and that all or any part of such capitalised fund be applied, on behalf of such Shareholders, in paying up in full either at par or at such premium, as the resolution may provide, any unissued Shares or Debentures or Debenture stock of the Company which shall be distributed accordingly on in or towards payment of the uncalled liability on any issued Shares or Debentures, stock and that such distribution or payment shall be accepted by such Shareholders in full satisfaction of their interest in the said capitalised sum, provided that a Share Premium Account and a Capital Redemption Reserve Account may, for the purposes of this Article, only be applied for the paying of any unissued Shares to be issued to members of the Company as, fully paid up, bonus Shares.</p> <p>(ii) A general meeting may resolve that any surplus moneys arising from the realisation of any capital assets of the Company, or any investments representing the same, or any other undistributed profits of the Company, not subject to charge for income tax, be distributed among the members on the footing that they receive the same as capital.</p> <p>(iii) For the purpose of giving effect to any resolution under the preceding paragraphs of this Article, the Board may settle any difficulty, which may arise, in regard to the distribution, as it thinks expedient, and, in particular, may issue fractional certificates and may fix the value for distribution of any specific assets, and may determine that such cash payments shall be made to any members upon the footing of the value so fixed or that fraction of value less than Rs.10/- (Rupees Ten Only) may be disregarded in order to adjust the rights of all parties, and may vest any such cash or specific assets in trustees upon such trusts for the person entitled to the dividend or capitalized funds, as may seem expedient to the Board. Where requisite, a proper contract shall be delivered to the Registrar for registration in accordance with Section 75 of the Act and the Board may appoint any person to sign such contract, on behalf of the persons entitled to the dividend or capitalized fund, and such appointment shall be effective.</p>	<b>CAPITALISATION</b>
170.	<p>The Company shall keep at the Office or at such other place in India, as the Board thinks fit and proper, books of account, in accordance with the provisions of the Act with respect to :-</p> <p>(i) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure take place;</p> <p>(ii) all sales and purchases of goods by the Company;</p> <p>(iii) the assets and liabilities of the Company;</p> <p>(iv) such particulars, if applicable to this Company, relating to utilization of material and/or labour or to other items of cost, as may be prescribed by the Central Government.</p> <p>Where the Board decides to keep all or any of the books of account at any place, other than the Office of the Company, the Company shall, within 7 (Seven) days,</p>	<b>ACCOUNTS</b>

	<p>or such other period, as may be fixed, from time to time, by the Act, of the decision, file with the Registrar, a notice, in writing, giving the full address of that other place.</p> <p>The Company shall preserve, in good order, the books of account, relating to the period of not less than 8 (Eight) years or such other period, as may be prescribed, from time to time, under the Act, preceding the current year, together with the vouchers relevant to any entry in such books.</p> <p>Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with this Article, if proper books of account, relating to the transaction effected at the branch office, are kept at the branch office, and the proper summarized returns, made up to day at intervals of not more than 3 (Three) months or such other period, as may be prescribed, from time to time, by the Act, are sent by the branch office to the Company at its Office or other place in India, at which the books of account of the Company are kept as aforesaid.</p> <p>The books of account shall give a true and fair view of the state of affairs of the Company or branch office, as the case may be, and explain the transactions represented by it. The books of account and other books and papers shall be open to inspection by any director, during business hours, on a working day, after a prior notice, in writing, is given to the Accounts or Finance department of the Company.</p>	
171.	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 the directors, and no member, not being a director, shall have any right of inspecting any account or books or document of the Company, except as conferred by law or authorised by the Board.	
172.	The Directors shall, from time to time, in accordance with sections 129 and 134 of the Act, cause to be prepared and to be laid before the Company in Annual General Meeting of the Shareholders of the Company, such Balance Sheets, Profit and Loss Accounts, if any, and the Reports as are required by those Sections of the Act.	
173.	A copy of every such Profit & Loss Accounts and Balance Sheets, including the Directors' Report, the Auditors' Report and every other document(s) required by law to be annexed or attached to the Balance Sheet, shall at least 21 (Twenty-one) days, before the meeting, at which the same are to be laid before the members, be sent to the members of the Company, to every trustee for the holders of any Debentures issued by the Company, whether such member or trustee is or is not entitled to have notices of general meetings of the Company sent to him, and to all persons other than such member or trustees being persons so entitled.	
174.	The Auditors, whether statutory, branch or internal, shall be appointed and their rights and duties shall be regulated in accordance with the provisions of the Act and the Rules made thereunder.	
175.	<p>(i) A document or notice may be served or given by the Company on any member either personally or by sending it, by post or by such other means such as fax, e-mail, if permitted under the Act, to him at his registered address or, if he has no registered address in India, to the address, if any, in India, supplied by him to the Company for serving documents or notices on him.</p> <p>(ii) Where a document or notice is sent by post, service of the document or notice shall be deemed to be effected by properly addressing, pre-paying, wherever required, and posting a letter containing the document or notice, provided that where a member has intimated to the Company, in advance, that documents or notices should be sent to him under a certificate of posting or by registered post,</p>	<b>DOCUMENTS AND NOTICES</b>



	with or without the acknowledgement due, and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document or notice shall not be deemed to be effected unless it is sent in the manner and, such service shall be deemed to have been effected, in the case of a notice of a meeting, at the expiration of forty-eight hours after the letter containing the document or notice is posted, and in any other case, at the time at which the letter would be delivered in the ordinary course of post.	
176.	A document or notice, whether in brief or otherwise, advertised, if thought fit by the Board, in a newspaper circulating in the neighborhood of the Office shall be deemed to be duly served or sent on the day, on which the advertisement appears, on or to every member who has no registered address in India and has not supplied to the Company an address within India for the serving of documents on or the sending of notices to him.	
177.	A document or notice may be served or given by the Company on or to the joint holders of a Share by serving or giving the document or notice on or to the joint holder named first in the Register of Members in respect of the Share.	
178.	A document or notice may be served or given by the Company on or to the person entitled to a Share, including the person nominated in the manner prescribed hereinabove, in consequence of the death or insolvency of a member by sending it through the post as a prepaid letter addressed to them by name or by the title or representatives of the deceased, or assigned of the insolvent or by any like description, at the address, if any, in India, supplied for the purpose by the persons claiming to be entitled, or, until such an address has been so supplied, by serving the document or notice, in any manner in which the same might have been given, if the death or insolvency had not occurred.	
179.	Documents or notices of every general meeting shall be served or given in some manner hereinafter authorised on or to (i) every member, (ii) every person entitled to a Share in consequence of the death or insolvency of member, (iii) the Auditor or Auditors of the Company, and (iv) the directors of the Company.	
180.	Every person who, by operation of law, transfer or by other means whatsoever, shall become entitled to any Share, shall be bound by every document or notice in respect of such Share, which, previously to his name and address being entered on the Register of Members, shall have duly served on or given to the person from whom he derives his title to such Shares.	
181.	Any document or notice to be served or given by the Company may be signed by a director or some person duly authorised by the Board for such purpose and the signature thereto may be written, printed or lithographed.	
182.	All documents or notices to be served or given by members on or to the Company or any Officer thereof shall be served or given by sending it to the Company or Officer at the Office by post, under a certificate of posting or by registered post, or by leaving it at the Office, or by such other means such as fax, e-mail, if permitted under the Act.	
183.	The Liquidator, on any winding up, whether voluntary or under supervision or compulsory, may, with the sanction of a special resolution, but subject to the rights attached to any Preference Share Capital, divide among the contributories, in specie, any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories, as the liquidators, with the like sanction, shall think fit.	<b>WINDING UP</b>
184.	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 favor or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.	<b>INDEMNITY AND RESPONSIBILITY</b>
185.	(i) Every director, manager, auditor, treasurer, trustee, member of a committee, officer, servant, agent, accountant or other person employed in the business of the Company shall, if so required by the Directors, before entering upon his duties,	<b>SECRECY</b>

	<p>sign a declaration pledging himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with the individuals and in matters relating thereto, and shall, by such declaration, pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by Law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions contained in these presents or the Memorandum of Association of the Company.</p> <p>(ii) No member shall be entitled to visit or inspect any works of the Company, without the permission of the Directors, or to require discovery of or any information respecting any details of the Company's trading or business or any matter which is or may be in the nature of a trade secret, mystery of trade, secret or patented process or any other matter, which may relate to the conduct of the business of the Company and, which in the opinion of the Directors, it would be inexpedient in the interests of the Company to disclose.</p>	
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## SECTION IX – OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following copies of the contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than two years before the date of this Red Herring Prospectus) which are, or may be deemed material, have been entered or to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Red Herring Prospectus delivered to the RoC for registration, and also the documents for inspection referred to hereunder may be inspected at our Registered Office, from 10.00 am to 5.00 pm on Working Days from the date of the Red Herring Prospectus until the Bid Closing Date.

#### **MATERIAL CONTRACTS**

1. Issue Agreement dated March 26, 2018 between our Company and BRLM to the Issue.
2. Registrar Agreement dated March 15, 2018 executed between our Company and the Registrar to the Issue.
3. Banker to the Issue Agreement/Escrow Agreement dated September 12, 2018 among our Company, BRLM, Banker to the Issue and the Registrar to the Issue.
4. Syndicate Agreement dated September 12, 2018 amongst our Company, BRLM and the Syndicate Members.
5. Underwriting Agreement dated [●] between our Company, BRLM and Underwriter.
6. Tripartite Agreement dated March 15, 2018 among CDSL, the Company and the Registrar to the Issue.
7. Tripartite Agreement dated March 23, 2018 among NSDL, the Company and the Registrar to the Issue.
8. Monitoring Agency Agreement dated September 14, 2018 between our Company and the Monitoring Agency.

#### **MATERIAL DOCUMENTS**

1. Certified copies of the Memorandum and Articles of Association of the Company as amended.
2. Certificate of Incorporation dated February 07, 2006 issued by the Registrar of Companies, Mumbai, Maharashtra.
3. Fresh certificate of incorporation dated January 30, 2018 issued by the Registrar of Companies, Mumbai, Maharashtra upon conversion of the Company from Private Limited to Public Limited.
4. Certificate of registration of Alteration of object clause dated August 24, 2018 issued by the Registrar of Companies, Mumbai, Maharashtra upon addition in the other object of the Company.
5. Copy of the Board Resolution dated February 21, 2018 authorizing the Issue and other related matters.
6. Copy of Shareholder's Resolution dated March 19, 2018 authorizing the Issue and other related matters.
7. Copies of annual reports for the five financial years ended March 31, 2018, 2017, 2016, 2015 and 2014.
8. Copy of the reports of the Auditors, Mansaka Ravi & Associates, Chartered Accountants dated September 05, 2018 on Restated Standalone Financial Statements of our Company and Restated Consolidated Financial Statements of our Company included in this Red Herring Prospectus.
9. Statement of Tax Benefits dated March 16, 2018 issued by Nair & Nair Associates, Chartered Accountants.

10. Industry Report titled “Telecom and Allied Sector” dated March 27, 2018, prepared by CARE.
11. Consents of the Book Running Lead Manager, Legal Advisor to the Issue, Registrar to the Issue, Syndicate member Underwriter, Banker to the Issue, Escrow collection Bank, Statutory Auditor of the Company, Peer Review Auditor, Promoters of our Company, Directors of our Company, Company Secretary and Compliance Officer, Chief Financial Officer, Bankers to our Company, as referred to, in their respective capacities.
12. In-principle listing approvals dated May 02, 2018 and June 11, 2018 from BSE and NSE, to use their name in the Red Herring Prospectus/Prospectus for listing of Equity Shares respectively.
13. Board Resolution dated March 28, 2018 for approval of Draft Red Herring Prospectus and dated September 14, 2018 for approval of Red Herring Prospectus.
14. Due diligence certificate dated March 28, 2018 to SEBI from the BRLM.
15. SEBI observation letter no. SEBI/HO/CFD/DIL2/OW/P/2018/19118/1 dated July 06, 2018.

Any of the contracts or documents mentioned in this Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, as the case maybe, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, the Securities Contract(Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF THE COMPANY**

**Mr. DINESH KOLLAIAH KARGAL**

*Chairman & Managing Director*

*DIN: 02503787*

**Place: Navi Mumbai**

**Date: September 14, 2018**

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, as the case maybe, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, the Securities Contract(Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF THE COMPANY**

**MRS. SHASHIKALA DINESH KARGAL**

*Whole Time Director*

*DIN: 01397286*

**Place: Navi Mumbai**

**Date: September 14, 2018**

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, as the case maybe, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, the Securities Contract(Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF THE COMPANY**

**MR. DARSHANKUMAR DINESH KARGAL**

*Non-Executive Director*

*DIN: 07727278*

**Place: Navi Mumbai**

**Date: September 14, 2018**

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, as the case maybe, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, the Securities Contract(Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF THE COMPANY**

**MR. SHOWRAIAH LOURDE KAKUMANU**

*Independent Director*

*DIN: 08006508*

**Place: Navi Mumbai**

**Date: September 14, 2018**

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, as the case maybe, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, the Securities Contract(Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

## **SIGNED BY THE DIRECTOR OF THE COMPANY**

**MR. CHANDRASHEKHAR JOSHI**

*Independent Director*

*DIN: 07767416*

**Place: Navi Mumbai**

**Date: September 14, 2018**

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, as the case maybe, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, the Securities Contract(Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF THE COMPANY**

**MR. NAVIN KUMAR JAIN**

*Independent Director*

*DIN: 07763257*

**Place: Navi Mumbai**

**Date: September 14, 2018**



## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, as the case maybe, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, the Securities Contract(Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

**SIGNED BY THE COMPANY SECRETARY AND COMPLIANCE OFFICER OF THE COMPANY**

**MR. ABHISHEK GUPTA**

*Company Secretary and Compliance Officer*

**Place: Navi Mumbai**

**Date: September 14, 2018**

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, as the case maybe, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, the Securities Contract(Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

### **SIGNED BY THE CHIEF FINANCIAL OFFICER OF THE COMPANY**

**MR. AKSH DEVESH JAIN**

*Chief Financial Officer*

**Place: Navi Mumbai**

**Date: September 14, 2018**