



## GIRIRAJ CIVIL DEVELOPERS LIMITED

CIN: U45200MH2005PLC156879

Our Company was incorporated as “Giriraj Civil Developers Private Limited” on October 19, 2005 under the Companies Act, 1956 with the Registrar of Companies, Mumbai at Maharashtra bearing Registration No. 156879. The status of our Company was changed to a public limited company and the name of our Company was changed to “Giriraj Civil Developers Limited” by a special resolution passed on December 26, 2017. A fresh certificate of incorporation consequent to the change of name was granted to our Company on January 22, 2018, by the Registrar of Companies, Mumbai at Maharashtra. For further details, please refer the chapter “History and Certain Corporate Matters” on page no. 103 of this Prospectus.

**Registered Office:** 101 Jaitirth Co-operative Housing Society Daulat Nagar, Road no 10, Borivali (East) Mumbai-400066

**Tel No.:** +91- 22 – 2890 6356; **Email:** info@giriraj.biz; **Website:** www.giriraj.biz;

**Contact Person:** Mrs. Manisha Soni, Company Secretary and Compliance Officer

**Our Promoters:** Mr. Mahesh Shah and Mrs. Mamta Shah

### THE OFFER

**PUBLIC OFFER OF 9,00,000 EQUITY SHARES OF ₹ 10/- EACH (“EQUITY SHARES”) OF GIRIRAJ CIVIL DEVELOPERS LIMITED (“GCDL” OR THE “COMPANY”) FOR CASH AT A PRICE OF ₹ 100 PER SHARE (“OFFER PRICE”), AGGREGATING TO ₹ 900.00 LAKHS (“THE OFFER”) CONSISTING OF FRESH ISSUE OF 3,00,000 EQUITY SHARES AGGREGATING TO ₹ 300.00 LAKHS AND AN OFFER FOR SALE OF 6,00,000 EQUITY SHARES BY THE SELLING SHAREHOLDERS OUT OF WHICH 3,50,400 EQUITY SHARES ARE FROM PROMOTER SELLING SHAREHOLDERS AND REMAINING 2,49,600 EQUITY SHARES ARE FROM PROMOTER GROUP SELLING SHAREHOLDER AGGREGATING TO ₹ 600.00 LAKHS (“OFFER FOR SALE”), OF WHICH 48,000 EQUITY SHARES OF ₹ 10/- EACH WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKERS TO THE OFFER (THE “MARKET MAKER RESERVATION PORTION”). THE OFFER LESS MARKET MAKER RESERVATION PORTION I.E. OFFER OF 8,52,000 EQUITY SHARES OF ₹ 10/- EACH IS HEREINAFTER REFERRED TO AS THE “NET OFFER”. THE OFFER AND THE NET OFFER WILL CONSTITUTE 27.74% AND 26.26%, RESPECTIVELY OF THE POST OFFER PAID UP EQUITY SHARE CAPITAL OF THE COMPANY.**

**THE FACE VALUE OF THE EQUITY SHARE IS ₹ 10 AND THE OFFER PRICE IS 10.00 TIMES OF THE FACE VALUE**

**THIS OFFER IS BEING MADE IN TERMS OF CHAPTER XB OF THE SEBI (ICDR) REGULATIONS, 2009 AS AMENDED FROM TIME TO TIME.**

*For further details see “Offer Related Information” beginning on page no. 186 of this Prospectus.*

In terms of the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015, all potential investors shall participate in the offer only through an Application Supported by Blocked Amount (“ASBA”) process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks (“SCSBs”) for the same. For details in this regard, specific attention is invited to “Offer Procedure” on page no. 194 of this Prospectus. A copy will be delivered for registration to the Registrar of Companies as required under Section 26 and 28 of the Companies Act, 2013.

### RISK IN RELATION TO THE FIRST OFFER

This being the first public offer of the Company, there has been no formal market for the Equity Shares. The Offer Price (as determined and justified by our Company and the Selling Shareholders in consultation with the Lead Manager) stated under “Basis for Offer Price” beginning on page no. 68 should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

### GENERAL RISKS

Investment in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. **Specific attention of the investors is invited to “Risk Factors” beginning on page no. 12 of this Prospectus.**

### COMPANY’S AND SELLING SHAREHOLDER’S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Each Selling Shareholder, severally and not jointly, assumes responsibility only for statements in relation to such Selling Shareholders included in this Offer Document.

### LISTING

The Equity Shares offered through this Prospectus are proposed to be listed on the EMERGE Platform of National Stock Exchange of India Limited (“NSE”). Our Company has received an in-principle approval letter dated March 09, 2018 from NSE for listing our shares on the EMERGE Platform of the National Stock Exchange of India Limited. For the purposes of this Offer, the Designated Stock Exchange shall be the National Stock Exchange of India Limited.

### LEAD MANAGER TO THE OFFER

### REGISTRAR TO THE OFFER



#### ARYAMAN FINANCIAL SERVICES LIMITED

60, Khatau Building, Ground Floor,

Alkesh Dinesh Modi Marg, Fort, Mumbai – 400 001

**Tel No.:** +91 – 22 – 6216 6999

**Fax No.:** +91 – 22 – 2263 0434

**Email:** info@afsl.co.in; **Website:** www.afsl.co.in

**Investor Grievance Email:** feedback@afsl.co.in

**Contact Person:** Mrs. Jaita Pandey / Mr. Chaitanya Hiregange

**SEBI Registration No.** INM000011344

#### CAMEO CORPORATE SERVICES LIMITED

Subramanian Building No. 1,

Club House Road

Chennai – 600 002

**Tel No.:** +91 – 44- 2846 0390/ 1989

**Fax No.:** +91- 44 - 2846 0129

**Email:** cameo@cameoindia.com; **Website:** www.cameoindia.com

**Contact Person:** Mr. R. D. Ramasamy

**SEBI Registration No.:** INR 000003753

### OFFER OPENS ON

**MARCH 19, 2018**

### OFFER CLOSES ON

**MARCH 21, 2018**

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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

#### General Terms

| Term  | Description  |
|---|--|
| Giriraj Civil Developers Ltd / GCDL / The Company / Company / We / Us / Our Company | Unless the context otherwise indicates or implies, refers to Giriraj Civil Developers Limited, a public limited company incorporated under the provisions of the Companies Act, 1956 with its registered office in Mumbai, Maharashtra, India. |
| Promoter(s)   | The Promoters of our Company: <ul style="list-style-type: none"> <li>Mr. Mahesh Shah</li> <li>Mrs. Mamta Shah</li> </ul>   |
| Promoter Group  | Such persons, entities and companies constituting our promoter group pursuant to Regulation 2(1)(zb) of the SEBI ICDR Regulations as disclosed in the Chapter titled “Our Promoter and Promoter Group” on page no. 121 of this Prospectus.     |
| Group Company   | Jinalaya Infratech Private Limited<br><br>Please refer the chapter titled “Our Group Companies” from page no. 125 of this Prospectus.  |

#### Company related Terms

| Term                                     | Description  |
|--|--|
| Articles / Articles of Association       | Unless the context otherwise requires, refers to the Articles of Association of Giriraj Civil Developers Limited.  |
| Audit Committee                          | The committee of the Board of Directors constituted on January 23, 2018 as our Company’s Audit Committee in accordance with Section 177 of the Companies Act, 2013   |
| Board of Directors / Board               | The Board of Directors of Giriraj Civil Developers Limited, including all duly constituted Committees thereof.   |
| Company Secretary and Compliance Officer | Mrs. Manisha Soni  |
| Director(s)                              | Director(s) of Giriraj Civil Developers Limited, unless otherwise specified  |
| Equity Shares                            | Equity Shares of our Company of Face Value of ₹ 10 each unless otherwise specified in the context thereof  |
| Equity Shareholders                      | Persons holding Equity Share of our Company  |
| Key Management Personnel / KMP           | Individuals described as Key Managerial Personnel in the chapter titled “Our Management” on page no. 109 of this Prospectus  |
| MOA / Memorandum of Association          | Memorandum of Association of Giriraj Civil Developers Limited  |
| Nomination and Remuneration Committee    | The committee of the Board of Directors constituted on January 23, 2018 as our Company’s Nomination and Remuneration Committee in accordance with Section 178 of the Companies Act, 2013   |
| Promoter Selling Shareholders            | <ul style="list-style-type: none"> <li>Mr. Mahesh Shah; and</li> <li>Mrs. Mamta Shah</li> </ul>  |
| Promoter Group Selling Shareholder       | Mahesh K. Shah (HUF)   |
| Registered Office                        | The Registered Office of our Company which is located at: 101 Jaitirth Co-operative Housing Society, Daulat Nagar, Road no 10, Borivali (East) Mumbai 400066   |
| Registrar of Companies / RoC             | Registrar of Companies, Mumbai at Maharashtra situated at Everest, 100, Marine Drive, Mumbai – 400 002.  |
| Restated Financial Statements            | The restated financial statements of our Company for the nine months period ended December 31, 2017, and for the Financial Years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013, which comprises the Restated Balance Sheet, the Restated Statement of Profit and Loss and the Restated Cash Flow Statement, together with the Annexures and Notes thereto, which have been prepared in accordance with the Companies Act, Indian GAAP, and restated in accordance with the |

| Term                                 | Description  |
|--------------------------------------|--|
|                                      | SEBI ICDR Regulations.   |
| Selling Shareholders                 | <ul style="list-style-type: none"> <li>Mr. Mahesh Shah;</li> <li>Mrs. Mamta Shah;</li> <li>Mahesh K. Shah (HUF);</li> </ul>  |
| Stakeholders' Relationship Committee | The committee of the Board of Directors constituted on January 23, 2018 as our Company's Stakeholders' Relationship Committee.   |
| Statutory Auditor                    | M/s. LLB & Co., Chartered Accountants, having their office at Office No.: 5, Barsana, Salasar Brij Bhoomi, Near Maxus Mall, Bhayandar (West), Thane - 401 101 Maharashtra, India |
| Stock Exchange                       | Unless the context requires otherwise, refers to, the EMERGE Platform of NSE.  |

#### Offer Related Terms

| Term   | Description  |
|--|--|
| Abridged Prospectus                            | Abridged Prospectus to be issued under Regulation 58 of SEBI ICDR Regulations and appended to the Application Form   |
| Allotment                                      | Unless the context otherwise requires, the allotment of the Equity Shares pursuant to the Offer to the successful Applicants, including transfer of the Equity Shares pursuant to the Offer to the successful applicants.  |
| Allotment Advice                               | Note, advice or intimation of Allotment sent to the Applicants 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)                                    | The successful applicant to whom the Equity Shares are being / have been Allotted.   |
| Applicant                                      | Any prospective investor who makes an application for Equity Shares in terms of this Prospectus  |
| Application Form                               | The Form in terms of which the applicant shall apply for the Equity Shares of the Company  |
| Application Supported by Blocked Amount / ASBA | An application, whether physical or electronic, used by ASBA Applicant to make an Application authorizing an SCSB to block the Application Amount in the specified Bank Account maintained with such SCSB. ASBA is mandatory for all Applicants participating in the Offer.  |
| ASBA Account                                   | A bank account maintained with a SCSB and specified in the ASBA Form submitted by the Applicants for blocking the Application Amount mentioned in the ASBA Form.   |
| ASBA Applicant(s)                              | Any prospective investor who makes an Application pursuant to the terms of the Prospectus and the Application Form.  |
| ASBA Application / Application                 | An indication to make an offer during the Bid / Offer Period by an Applicant pursuant to submission of the Application Form, to subscribe to the Equity Shares at a price as mentioned in the Prospectus, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations in terms of the Prospectus and Application Form |
| Banker(s) to the Company                       | Such banks which are disclosed as Bankers to our Company in the chapter titled "General Information" on page no. 44 of this Prospectus.  |
| Banker(s) to the Offer                         | The banks which are Clearing Members and registered with SEBI as Banker to an Offer with whom the Escrow Agreement is entered and in this case being Axis Bank Limited.  |
| Basis of Allotment                             | The basis on which the Equity Shares will be Allotted to successful Applicants under the Offer and which is described in the chapter titled "Offer Procedure" beginning on page no. 197 of this Prospectus.  |
| Business Day                                   | Monday to Friday (except public holidays)  |
| CAN / Confirmation of Allocation Note          | The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange.   |
| Collecting Depository Participant(s) or CDP(s) | A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular No. GR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI   |
| Controlling Branches                           | Such Branches of the SCSBs which co-ordinate Applications by the Applicants with the Registrar to the Offer and the Stock Exchanges and a list of which is available at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time.   |
| Demographic Details                            | The demographic details of the Applicants such as their Address, PAN, Occupation and Bank Account details.   |

| Term   | Description  |
|--|--|
| Depositories                                 | A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996 i.e. CDSL and NSDL   |
| Depositories Act                             | The Depositories Act, 1996, as amended from time to time   |
| Designated CDP Locations                     | Such locations of the CDPs where Applicants can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange              |
| Designated Date                              | The date on which the funds blocked by the SCSBs are transferred from the ASBA Accounts specified by the Applicants to the Public Offer Account.   |
| Designated Intermediaries / Collecting Agent | Syndicate Members, Sub-Syndicate/Agents, SCSBs, Registered Brokers, Brokers, the CDPs and RTAs, who are authorized to collect Application Forms from the Applicants, in relation to the Offer  |
| Designated Market Maker                      | Aryaman Capital Markets Limited (formerly known as Aryaman Broking Limited) will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI ICDR Regulations |
| Draft Prospectus                             | The Draft Prospectus dated February 26, 2018 issued in accordance with the SEBI ICDR Regulations   |
| Designated RTA Locations                     | Such locations of the RTAs where Applicants can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange  |
| Designated SCSB Branches                     | Such Branches of the SCSBs which shall collect the Application Forms used by the Applicants applying through the ASBA process and a list of which is available on <a href="http://www.sebi.gov.in/pmd/scsb.pdf">http://www.sebi.gov.in/pmd/scsb.pdf</a>  |
| Designated Stock Exchange                    | SME Platform of National Stock Exchange of India Limited i.e. NSE EMERGE   |
| EMERGE Platform of NSE                       | EMERGE Platform of NSE, approved by SEBI as an SME Exchange for listing of equity shares Offered under Chapter XB of the SEBI ICDR Regulations.  |
| Eligible NRIs                                | An NRI from such a jurisdiction outside India where it is not unlawful to make an Offer or invitation under this Offer and in relation to whom the Application Form and the Prospectus will constitute an invitation to purchase the Equity Shares.  |
| Escrow Agreement                             | Agreement entered into amongst our Company, the Lead Manager, the Selling Shareholders, the Registrar and the Banker to the Offer to receive monies from the Applicants through the SCSBs Bank Account on the Designated Date in the Public Offer Account.   |
| Foreign Portfolio Investor / FPIs            | Foreign Portfolio Investor as defined under the SEBI (Foreign Portfolio Investors) Regulations, 2014.  |
| Fresh Issue                                  | The fresh issue of 3,00,000 Equity Shares by our Company of ₹ 100 each aggregating to ₹ 300 Lakhs, to be issued by our Company for subscription pursuant to the terms of this Prospectus   |
| Fresh Issue Proceeds                         | Gross proceeds to be raised through the Fresh Issue. For further details, please refer the chapter “ <i>Objects of the Offer</i> ” on page no. 63 of this Prospectus   |
| LM / Lead Manager                            | Lead Manager to the Offer, in this case being Aryaman Financial Services Limited.  |
| Listing Agreement / Equity Listing Agreement | Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and the EMERGE Platform of NSE.   |
| Market Maker Reservation Portion             | The reserved portion of 48,000 Equity Shares of ₹ 10 each at ₹ 100 per Equity Share aggregating to ₹ 48 Lakhs for the Designated Market Maker in the Public Offer of our Company.  |
| Market Making Agreement                      | The Agreement among the Market Maker, the Lead Manager and our Company dated February 21, 2018 and Addendum dated March 09, 2018.  |
| Mutual Fund                                  | A Mutual Fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended   |
| Non-Institutional Applicant                  | All Applicants, including Eligible QFIs, sub accounts of FIIs registered with SEBI which are foreign corporates or foreign individuals, that are not QIBs or Retail Individual Applicants and who have applied for Equity Shares for an amount of more than ₹ 2,00,000 (but not including NRIs other than Eligible NRIs)                               |
| NSE  | National Stock Exchange of India Limited   |



| Term                                     | Description  |
|--|--|
| Net Offer                                | The Net Offer of 8,52,000 Equity Shares of ₹ 10 each at ₹ 100 per Equity Share aggregating to ₹ 852 Lakhs by the Company and the Selling Shareholders.   |
| Non-Resident                             | A person resident outside India, as defined under FEMA and includes Eligible NRIs, Eligible QFIs, FIIs registered with SEBI and FVCIs registered with SEBI   |
| Offer / Offer Size / Public Offer / IPO  | This Initial Public Offer of 9,00,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 100 per equity share, aggregating to ₹ 900 Lakhs by the Company and the Selling Shareholders.  |
| Offer Closing date                       | The date on which the Offer closes for subscription being March 21, 2018   |
| Offer Opening date                       | The date on which the Offer opens for subscription being March 19, 2018  |
| Offer Price                              | The price at which the Equity Shares are being offered by our Company and the Selling Shareholders in consultation with the Lead Manager, under this Prospectus being ₹ 100.   |
| Person or Persons                        | Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership, limited liability Company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.  |
| Prospectus                               | The Prospectus, filed with the RoC containing, <i>inter alia</i> , the Offer opening and closing dates and other information.  |
| Public Offer Account                     | Account opened with Bankers to the Offer for the purpose of transfer of monies from the SCSBs from the ASBA accounts on the Designated Date.   |
| Qualified Foreign Investors / QFIs       | Non-resident investors other than SEBI registered FIIs or sub-accounts or SEBI registered FVCIs who meet 'know your client' requirements prescribed by SEBI  |
| Qualified Institutional Buyers / QIBs    | Public financial institutions as defined in Section 2(72) of the Companies Act, 2013, Foreign Portfolio Investor other than Category III Foreign Portfolio Investor, AIFs, VCFs, FVCIs, Mutual Funds, multilateral and bilateral financial institutions, scheduled commercial banks, state industrial development corporations, insurance companies registered with the IRDA, provident funds and pension funds with a minimum corpus of ₹ 250 million, insurance funds set up and managed by the army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, Government of India, eligible for Bidding and does not include FVCIs and multilateral and bilateral institutions. |
| Registrar and Share Transfer Agents/RTAs | Registrar and Share Transfer Agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI   |
| Registrar / Registrar to the Offer       | Registrar to the Offer being Cameo Corporate Services Limited  |
| Retail Individual Investors              | Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than ₹ 2,00,000   |
| Self Certified Syndicate Bank(s) / SCSBs | A Bank registered with SEBI under the SEBI (Bankers to an Offer) Regulations, 1994 and Issues the facility of ASBA, including blocking of bank account. A list of all SCSBs is available at <a href="http://www.sebi.gov.in/pmd/scsb.pdf">http://www.sebi.gov.in/pmd/scsb.pdf</a>  |
| Share Escrow Agent                       | Share Escrow agent appointed pursuant to the Share Escrow Agreement, being Cameo Corporate Service Limited   |
| Share Escrow Agreement                   | Agreement dated February 28, 2018 entered into between the Selling Shareholders, our Company, the Escrow Agent and the Lead Manager in connection with the transfer of Equity Shares under the Offer for Sale by the Selling Shareholders and credit of such Equity Shares to the demat account of the Allottees.  |
| TRS / Transaction Registration Slip      | The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the Applicant, as proof of registration of the Application.   |
| Underwriters                             | Aryaman Financial Services Limited and Aryaman Capital Markets Limited.  |
| Underwriting Agreement                   | The Agreement among the Underwriters, the Selling Shareholders and our Company dated February 21, 2018 and Addendum dated March 09, 2018.  |
| U.S. Securities Act                      | U.S. Securities Act of 1933, as amended  |
| Working Day                              | All trading days of the Stock Exchange excluding Sundays and Bank holidays in Mumbai.  |

## Technical / Industry related Terms

| Term | Description                              |
|------|--|
| EMD  | Electro-Motive Diesel                    |
| FOB  | Foot Over Bridge                         |
| JV   | Joint Venture                            |
| MCGM | Municipal Corporation of Greater Mumbai  |
| MRVC | Mumbai Railway Vikas Corporation Limited |
| MUTP | Mumbai Urban Transport Project           |
| RCC  | Reinforced Cement Concrete               |
| SWD  | Sports Water Drainage                    |

## Conventional Terms / General Terms / Abbreviations

| Term   | Description  |
|--|--|
| A/c  | Account  |
| AGM  | Annual General Meeting   |
| AIF  | Alternative Investment Fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012  |
| AS / Accounting Standards                                      | Accounting Standards as issued by the Institute of Chartered Accountants of India  |
| ASBA   | Applications Supported by Blocked Amount   |
| AY   | Assessment Year  |
| BSE  | BSE Limited  |
| CAGR   | Compounded Annual Growth Rate  |
| Category II foreign portfolio investor(s) / Category II FPIs   | FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations  |
| Category III foreign portfolio investor(s) / Category III FPIs | FPIs who are registered as “Category III foreign portfolio investors” under the SEBI FPI Regulations   |
| CDSL   | Central Depository Services (India) Limited  |
| CFO  | Chief Financial Officer  |
| CIN  | Corporate Identification Number  |
| CIT  | Commissioner of Income Tax   |
| Client ID  | Client identification number of the Applicant’s beneficiary account  |
| Companies Act  | Unless specified otherwise, this would imply to the provisions of the Companies Act, 2013 (to the extent notified) and / or Provisions of Companies Act, 1956 w.r.t. the sections which have not yet been replaced by the Companies Act, 2013 through any official notification. |
| Companies Act, 1956  | The Companies Act, 1956, as amended from time to time  |
| Companies Act, 2013  | The Companies Act, 2013 published on August 29, 2013 and applicable to the extent notified by MCA till date.   |
| CSR  | Corporate Social Responsibility  |
| CST  | Central Sales Tax  |
| DIN  | Director Identification Number   |
| DP   | Depository Participant as defined under the Depositories Act   |
| DP ID  | Depository Participant’s identification  |
| ECS  | Electronic Clearing System   |
| EMDEs  | Emerging Market and Developing Economies   |
| EPS  | Earnings Per Share   |
| EOGM   | Extraordinary General Meeting  |
| FCNR Account   | Foreign Currency Non Resident Account  |
| FDI  | Foreign Direct Investment  |
| FEMA   | Foreign Exchange Management Act, 1999, as amended from time to time, and the regulations framed there under  |
| FIIIs  | 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  |

| Term                          | Description  |
|-------------------------------|--|
| FIPB                          | Foreign Investment Promotion Board   |
| FPIs                          | Foreign Portfolio Investors as defined under the SEBI FPI Regulations  |
| FY / Fiscal / Financial Year  | Period of twelve months ended March 31 of that particular year, unless otherwise stated  |
| GDP                           | Gross Domestic Product   |
| GoI/Government                | Government of India  |
| GST                           | Goods & Services Tax   |
| HNI                           | High Networth Individuals  |
| HUF                           | Hindu Undivided Family   |
| IAS Rules                     | Indian Accounting Standards, Rules 2015  |
| IFRS                          | International Financial Reporting Standards  |
| Indian GAAP                   | Generally Accepted Accounting Principles in India  |
| Ind AS                        | Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013, as notified under the Companies (Indian Accounting Standard) Rules, 2015  |
| 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  |
| IPO                           | Initial Public Offering  |
| ISIN                          | International Securities Identification Number   |
| KM / Km / km                  | Kilo Meter   |
| Merchant Banker               | Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992   |
| MoF                           | Ministry of Finance, Government of India   |
| MICR                          | Magnetic ink character recognition   |
| MOU                           | Memorandum of Understanding  |
| NA / N. A.                    | Not Applicable   |
| NAV                           | Net Asset Value  |
| NECS                          | National Electronic Clearing Service   |
| NEFT                          | National Electronic Fund Transfer  |
| NoC                           | No Objection Certificate   |
| NRE Account                   | Non Resident External Account  |
| NRIs                          | A person resident outside India, who is a citizen of India or a person of Indian origin, and shall have the meaning ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000   |
| NRO Account                   | Non Resident Ordinary Account  |
| NSDL                          | National Securities Depository Limited   |
| 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 60.00% by NRIs including overseas trusts, in which not less than 60.00% 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 |
| p.a.                          | Per Annum  |
| P/E Ratio                     | Price/Earnings Ratio   |
| PAC                           | Persons Acting in Concert  |
| PAN                           | Permanent Account Number   |
| PAT                           | Profit After Tax   |
| PLR                           | Prime Lending Rate   |
| RBI                           | The Reserve Bank of India  |
| ROE                           | Return on Equity   |
| RONW                          | Return on Net Worth  |
| Rupees / Rs. / ₹              | Rupees, the official currency of the Republic of India   |
| RTGS                          | Real Time Gross Settlement   |
| SCRA                          | Securities Contract (Regulation) Act, 1956, as amended from time to time   |
| SCRR                          | Securities Contracts (Regulation) Rules, 1957, as amended from time to time  |
| 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 Investments Funds) Regulations,  |



| Term   | Description  |
|--|--|
|  | 2012   |
| SEBI FII Regulations                                   | Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995   |
| SEBI FPI Regulations                                   | Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014   |
| SEBI FVCI Regulations                                  | Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000  |
| SEBI ICDR Regulations                                  | Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009  |
| SEBI LODR Regulations, 2015 / SEBI Listing Regulations | Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 notified on September 2, 2015   |
| SEBI SAST Regulations                                  | Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011   |
| Sec.   | Section  |
| Securities Act   | U.S. Securities Act of 1933, as amended  |
| SICA   | Sick Industrial Companies (Special Provisions) Act, 1985   |
| STT  | Securities Transaction Tax   |
| TIN  | Taxpayers Identification Number  |
| TDS  | Tax Deducted at Source   |
| US/United States                                       | 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                             | Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India. |

## CERTAIN CONVENTIONS; PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

### Certain Conventions

All references to “India” contained in this Prospectus are to the Republic of India. In this Prospectus, our Company has presented numerical information in “Lakhs” units. One Lakh represents 1,00,000.

### Financial Data

Unless stated otherwise, the financial data in this Prospectus is derived from our audited financial statements as on and for the nine months period ended on December 31, 2017 and for the Fiscal Years ended March 31, 2017, 2016, 2015, 2014 and 2013, prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI Regulations and included in this Prospectus. Our Fiscal Year commences on April 1 and ends on March 31 of the following year. In this Prospectus, any discrepancies in any table, graphs or charts between the total and the sums of the amounts listed are due to rounding-off.

There are significant differences between Indian GAAP, U.S. GAAP and IFRS. Accordingly, the degree to which the Indian GAAP financial statements included in this Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices, Indian GAAP, the Companies Act and the SEBI Regulations on the financial disclosures presented in this Prospectus should accordingly be limited. We have not attempted to explain the differences between Indian GAAP, U.S. GAAP and IFRS or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

Any percentage amounts, as set forth in the section titled “*Risk Factors*”, chapters titled “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page nos. 12, 84 and 154 of this Prospectus, respectively, and elsewhere in this Prospectus, unless otherwise indicated, have been calculated on the basis of our audited financial statements prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI Regulations.

### Currency, Units of Presentation and Exchange Rates

All references to “Rupees”, “Rs.” or “ ₹ ” are to Indian Rupees, the official currency of the Republic of India. All references to “US\$” or “US Dollars” or “USD” are to United States Dollars, the official currency of the United States of America.

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

### Definitions

For definitions, for details please see the Chapter titled “*Definitions and Abbreviations*” on page no. 3 of this Prospectus in the Section titled “*Main Provisions of the Articles of Association of our Company*” beginning on page no. 12 of this Prospectus, defined terms have the meaning given to such terms in the Articles of Association.

### Industry and Market Data

Unless stated otherwise, the industry and market data and forecasts used throughout this Prospectus has been obtained from industry sources as well as Government Publications. Industry sources as well as Government Publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

Further, the extent to which the industry and market data presented in this Prospectus is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. There are standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

## FORWARD-LOOKING STATEMENTS

All statements contained in this Prospectus that are not statements of historical fact constitute forward-looking statements. All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements with respect to our business strategy, our revenue and profitability, our projects and other matters discussed in this Prospectus regarding matters that are not historical facts. Investors can generally identify forward-looking statements by the use of terminology such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “project”, “may”, “will”, “will continue”, “will pursue”, “contemplate”, “future”, “goal”, “propose”, “will likely result”, “will seek to” or other words or phrases of similar import. All forward looking statements (whether made by us or any third party) are predictions and 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.

Forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. These statements are based on our 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.

Further the actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the Transport Industry in India and overseas in which we have our businesses and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and overseas which have an impact on our business activities or investments, the monetary and fiscal policies of India and other jurisdictions in which we operate, inflation, deflation, unanticipated volatility in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in our industry and incidence of any natural calamities and/or acts of violence. Other important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- ✓ General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
- ✓ Increasing competition in or other factors affecting the industry segments in which our Company operates;
- ✓ Changes in laws and regulations relating to the industries in which we operate;
- ✓ Recession in the railways and civil infrastructure sector;
- ✓ Volatility of interest rates and inflation;
- ✓ Our ability to successfully implement our growth strategy and expansion plans, and to successfully launch and implement various projects and business plans;
- ✓ Our ability to meet our capital expenditure requirements and/or increase in capital expenditure;
- ✓ Our inability to retain the services of our senior management, key managerial personnel and capable employees;
- ✓ Changes in political and social conditions in India the monetary policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- ✓ Failure to obtain any applicable approvals, licenses, registrations and permits in a timely manner.

For further discussions of factors that could cause our actual results to differ, please see the section titled “*Risk Factors*” and the chapters titled “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page nos. 12, 84 and 154 respectively of this Prospectus.

By their nature, certain 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. Forward-looking statements speak only as of this Prospectus. Our Company, the Selling Shareholders, our Directors, the Lead Manager, and their respective affiliates or associates do not have any obligation to, and do not intend to, update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI requirements, our Company, the Selling Shareholders and the Lead Manager will ensure that investors in India are informed of material developments until such time as the grant of listing and trading approvals by the Stock Exchange.

## SECTION II – RISK FACTORS

*An investment in Equity Shares involves a high degree of financial risk. You should carefully consider all information in this Prospectus, including the risks described below, before making an investment in our Equity Shares. The risk factors set forth below do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. Any of the following risks, as well as the other risks and uncertainties discussed in this Prospectus, could have a material adverse effect on our business and could cause the trading price of our Equity Shares to decline and you may lose all or part of your investment. In addition, the risks set out in this Prospectus are not exhaustive. Additional risks and uncertainties, whether known or unknown, may in the future have material adverse effect on our business, financial condition and results of operations, or which we currently deem immaterial, may arise or become material in the future. To obtain a complete understanding of our Company, prospective investors should read this section in conjunction with the sections entitled “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations on page nos. 84 and 154 of this Prospectus respectively as well as other financial and statistical information contained in this Prospectus. Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other risks mentioned herein.*

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

### Materiality

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

1. Some events may have material impact quantitatively.
2. Some events may have material impact qualitatively instead of quantitatively.
3. Some events may not be material individually but may be found material collectively.
4. Some events may not be material at present but may be having material impact in future.

### INTERNAL RISK FACTORS

1. ***Our Company, Group Company, Promoters and Directors are parties 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, Group Company, Promoter and Directors are parties 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, Group Company, Promoter and Directors as on the date of this Prospectus along with the amount involved, to the extent quantifiable, based on the materiality policy for litigations, as approved by the Company in its Board meeting held on January 23, 2018:-

| Sr. No. | Nature of Case                           | No. of Outstanding cases | Amount in dispute/demanded to the extent quantifiable (₹ in Lakhs) |
|---------|--|--------------------------|--|
| 1.      | <b>Litigations against our Company</b>   |                          |  |
| (a)     | Others                                   | 2                        | Unascertainable  |
| 2.      | <b>Litigations filed by the Company</b>  |                          |  |
| (a)     | Others                                   | 2                        | 45,524,964/-   |
| 3.      | <b>Litigations against our Directors</b> |                          |  |
| (a)     | Income Tax                               | 1                        | 41,39,320/-  |

*The amounts mentioned above may be subject to additional interest rates and/or penalties being levied by the concerned authorities for delay in making payment or otherwise. Amount of interest and/ or penalty that may be levied is unascertainable as on the date of this Prospectus.*

There can be no assurance that these litigations will be decided in our favour or in favour of our Company, our Group Company, Promoters and Directors, respectively, and consequently it may divert the 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 us, 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. For the details of the cases filed by and against our Company, our Group Company, Promoters and Directors please refer the chapter titled “*Outstanding Litigations and Material Developments*” on page no. 166 of this Prospectus.

**2. *One of our Independent Director Mr. Perur Seshappa Prasad is party to an outstanding suit as shown on CIBIL website due to his earlier association with another company wherein he is currently not a director.***

One of our Independent Director Mr. Perur Seshappa Prasad is party to an outstanding suit as shown on CIBIL website due to his earlier association with another company wherein he is currently not a director.

Mr. Perur Seshappa Prasad was an erstwhile independent director in such company and had not signed any related material documents on behalf of this company and does not have further information on the status of this suit. Even though it is clear from the CIBIL website that this matter is not part of the “wilful defaulter” search however such suit may in the future affect our independent director and to that extent our Company.

**3. *Any delay in the execution of our ongoing projects may results into levy of penalties by counterparties or additional costs. Our ongoing Projects may be delayed, modified or cancelled for reasons beyond our control which may materially and adversely affect our profitability, financial condition and results of operation.***

Project delays, modifications in the scope or cancellations may occur from time to time due to either a client’s or our default, incidents of force majeure or legal impediments. We may not have the full protection in our contracts against delays or associated liabilities and/or additional costs. Further, we have escalation clauses in some of our contracts, which, may be interpreted restrictively by our counterparties, who may dispute our claims for additional costs. As a result, our future earnings may be affected. Our contracts may be amended, delayed or cancelled before work commences or during the course of construction. Due to unexpected changes in a projects scope and schedule, we cannot predict with certainty when or if expected revenues as of our ongoing projects will be achieved. In addition, even where a project proceeds as scheduled, it is possible that contracting parties may default and fail to pay amounts owed or receivables due. If any or all of these risks materialize, our business, prospects, reputation, profitability, financial condition and results of operation may be materially and adversely affected.

**4. *Our business is substantially dependent on our key customers from whom we derive a significant portion of our revenues. The loss of any significant clients may have a material and adverse effect on our business and results of operations.***

We derive a significant portion of our revenue from a limited number of customers. For the period ended December 31, 2017 our top 10 customers cumulatively accounted for approximately 94% of our total revenue from operations as per restated financial statements. In the event, any one or more customers cease to continue doing business with us, our business may be adversely affected. The loss of such customers may be caused mainly because of competition. There may be factors other than our performance, which may not be predictable, which could cause loss of customers. Further, any significant reduction in demand for our services from our key customers, any requirement to lower the price offered to these customers, or any loss or financial difficulties caused to these customers, change in relationship with the customers could have a material adverse effect on our business, result of operations, financial condition and cash flow.

**5. *Trade receivables and inventory constitute major portion of our assets, our inability to recover the same can affect our financial position.***

Our trade receivables were ₹ 1,397.82 Lakhs and ₹ 3853.43 Lakhs for the period ended December 31, 2017 and for the year ended March 31, 2017 respectively. Major portions of our trade receivables for the period ended December 31, 2017 is outstanding for more than 6 months. Further, our inventory for the period ended December 31, 2017 and for the year ending March 31, 2017 were ₹ 1,424.07 Lakhs and ₹ 777.05 Lakhs which is 29.35% and 12.07% of our total assets. We cannot guarantee that there will be no default from the trade receivables and we cannot guarantee the entire recovery. Any subsequent default by our debtors can affect our financial position



and our profitability. Further, high trade receivables and high inventory affect our working capital requirement as they affect the liquidity position of the business.

- 6. Our business is substantially dependent on projects in India awarded or funded by the Central or State Governments and we derive substantial revenues from contracts with a limited number of government entities. Any changes in the Central or State Government policies or focus, or delay in payment may affect our business and results of operations.**

Our business increasingly relies on projects in India awarded or funded by the Government, State Government or semi governmental agencies. Our main scope of work is in the railway sector which is highly regulated by governmental agencies. There can be no assurance that the Government or the State Government will continue to place emphasis on the infrastructure sector. Our business, prospects, financial conditions and results of operations may be materially and adversely affected in case, the compensation from Government is inadequate.

The breakup of revenue from Government (railways) and non Government entities for the period ended December 31, 2017 is illustrated below:

| Particulars            | % of Revenue |
|------------------------|--------------|
| Government Revenue     | 35.51%       |
| Non Government Revenue | 64.49%       |

Our business is thus subject to risks relating to or arising from the Government or State Governments, including but not limited to: personnel, structural, or policy changes or any changes in practices or focus at the Government or State Government level; changes in government initiatives, agenda or budgetary allocations or fund deficiencies resulting in capital reduction in the infrastructure sector; termination of a contract by a government client; pursuant to the terms of some of our contracts, the government clients have the right to terminate these contracts for convenience, without any reason and at any time, after providing us with reasonable notice and compensation.

- 7. Our Company is dependent on third parties for the supply of raw materials required for our projects and is exposed to risks relating to fluctuations in commodity prices and shortage of raw material. Further, we do not have any long term supply agreements with the raw material providers.**

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

- 8. We may be unable to identify or acquire new projects and our bids for new projects may not always be successful, which may stunt our business growth.**

Undertaking new projects depends on various factors such as our ability to identify projects on a cost effective basis or integrate acquired operations into our existing business. If we are unable to identify or acquire new projects matching our expertise or profit expectations, we may be subject to uncertainties in our business. As a part of our business, we bid for new projects on an ongoing basis. Projects are awarded following satisfaction of prescribed pre-qualification criteria. Once the prospective bidders satisfy the pre-qualification criteria of the tender, the project is usually awarded based on the price of the contract quoted by the prospective bidder.

- 9. We own a large fleet of equipment, resulting in increased fixed costs to our Company. In the event we are not able to generate adequate cash flows it may have a material adverse impact on our operations.**

We own a large fleet of modern construction equipments, resulting in increased fixed costs of our company. In the event, we are unable to generate or maintain adequate revenue by successfully bidding for projects or recover payments from our clients in a timely manner or at all, it could have a material adverse effect on our financial

conditions and operations. If our company does not receive future contract awards or if these awards are delayed, the company could incur significant costs. In case, we do not get the desired number of contracts, our fleet of machines will be underutilised. For further details regarding plant and machinery owned by the company, see “*Our Business*” chapter, page no. 84 of this Prospectus.

**10. *Our business could be adversely affected if we fail to keep pace with technological developments in the construction industry.***

Our recent experience indicates that our clients are increasingly developing larger, more technically complex projects using more advanced technologies. Our future success will depend, in part, on our ability to respond to technological advances and emerging technology standards and practices on a cost-effective and timely basis. To meet our clients’ needs, we must continuously update our existing systems and develop new technologies for our construction projects. If we fail to anticipate or respond adequately to our clients’ changing requirements or keep pace with the latest technological developments, our business, prospects, financial condition and results of operations may be materially and adversely affected.

**11. *Our business may be affected by severe weather conditions and other natural disasters and our insurance coverage may not be adequate.***

Our business activities may be materially and adversely affected by severe weather conditions, which may force us to evacuate personnel or curtail services, replace damaged equipment and facilities or suspend our operations or postpone delivery of materials to our worksites. Heavy or sustained rainfalls or other extreme weather conditions such as cyclones could result in delays or disruptions to our operations during the critical periods of our projects and cause severe damages to our premises and equipment. High temperatures during summer months and the monsoon season could limit our ability to carry on construction activities or to fully utilize our resources. Our business activities may also be adversely affected by other natural disasters, including earthquakes, floods, and landslides, which may cause significant interruptions of our operations and damages to our properties and working environment which may not be adequately covered by the insurance policies availed by our Company. During periods of curtailed activity due to severe weather conditions or natural disasters, we may continue to incur operating expenses but our revenues from operations may be delayed or reduced.

**12. *Our business is manpower intensive and we are dependent on the supply and availability of a sufficient pool of contract labourers from sub-contractors at our project locations. Unavailability or shortage of such a pool of contract labour or any strikes, work stoppages, increased wage demands by workmen or changes in regulations governing contractual labour may have an adverse impact on our cash flows and results of operations.***

Our projects require the services of third parties including engineers, contractors and suppliers of labour and materials. The contractual construction work of our projects is performed by third party sub-contractors. We may not be able to identify approximately experienced third parties and cannot assure you that skilled third parties will continue to be available at reasonable rate and in area in which we undertake our present and future projects. As a result we may be required to make additional investments or provide additional services to ensure adequate performance and delivery of contracted services. The number of contract labourers employed by us varies from time to time based on the nature and extent of work contracted to us and the availability of contract labour. We may not be able to secure the required number of contractual labourers required for the timely execution of our projects for a variety of reasons including but not limited to disputes with sub-contractors, changes in labour regulations that may limit availability of contractual labour. If our labour sub-contractors do not complete their obligations in a timely and satisfactory manner, our costs could increase and our reputation, business, cash flows and results of operations could be adversely affected.

**13. *We had negative cash flow in the past and may do so in future.***

In the last financial year, our company has positive cash flows from operating activities, however if we are unable to continue this trend in future, our company may not be able to generate sufficient amounts of cash flow to finance our company’s working capital, make new capital expenditure, pay dividends, repay loans, make new investments, or fund other liquidity needs which could have a material adverse effect on our business and results of operations.

Our Company had reported certain negative cash flows from its investing and financing activities in the previous years as per the restated financial statements and the same are summarized as under:

| Particulars                             | For the period ended December 31, 2017 | Financial Year Ended |                |                |                |                |
|---|--|----------------------|----------------|----------------|----------------|----------------|
|   |  | March 31, 2017       | March 31, 2016 | March 31, 2015 | March 31, 2014 | March 31, 2013 |
| Net cash flow from Operating activities | 398.38                                 | 191.82               | (298.49)       | (35.72)        | (317.38)       | 681.79         |
| Net cash flow from Financing activity   | (94.91)                                | 27.37                | 326.41         | (250.77)       | (28.60)        | (459.96)       |
| Net cash flow from Investing activity   | (267.35)                               | (38.56)              | (1.81)         | 138.29         | 158.55         | 93.13          |

**14. We face significant risk with regard to length of time needed to complete each project and there could be unscheduled delays and cost overruns in relation to our ongoing and future projects.**

There could be unscheduled delays and cost overruns in relation to our ongoing or forthcoming projects. The time taken to complete a project may vary based on the type of work. During this time there can be changes to the national, state and local business climate and regulatory environment, local real estate market conditions, perception of prospective customers with respect to the convenience and attractiveness of the project and changes with respect to competition from other property developments. Further, any changes to the business environment such as non availability of raw materials or increase in cost of construction materials during such time may affect the cost and revenues associated with the project and may ultimately affect the profitability of a project. Additionally, there could be unscheduled delays and cost overruns in relation to ongoing and future projects and we cannot assure you that we will be able to complete these projects within the expected budgets and time schedules at all. Further, we may be penalized from our client for delay in completion of project.

**15. Obsolescence, destruction, theft, breakdowns of our major machineries or failures to repair or maintain the same may affect our business, cash flows, financial condition and results of operations.**

Obsolescence, destruction, theft or breakdowns of our machineries may significantly increase our machineries and equipment purchase cost and the depreciation of our machineries and equipment, as well as change the way our management estimates the useful life of our machineries and equipment. In such cases, we may not be able to acquire new machineries/equipment or repair the damaged machineries/equipment in time or at all, particularly where our machineries/equipment are not readily available from the market or require services from original machinery or equipment manufacturers. Some of our major machineries/equipment or parts may be costly to replace or repair. 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 effect our business, cash flows, financial condition and results of operations. For further details of our Machineries and Equipment, please refer to the chapter titled "Our Business" beginning on page no. 84 of the Prospectus.

**16. We require substantial financing for our business operations and the failure to obtain additional financing on terms commercially acceptable to us may adversely affect our ability to grow and our future profitability.**

We operate in a capital-intensive industry, which requires substantial levels of funding. We will continue to incur significant expenditure in maintaining and growing our existing infrastructure. The actual amount and timing of our future capital requirements may differ from estimates as a result of, among other things, unforeseen delays or cost overruns in developing our services, changes in business plans due to prevailing economic conditions, unanticipated expenses and regulatory changes.

Our ability to obtain additional financing on favourable terms, if at all, will depend on a number of factors, including our future financial condition, results of operations and cash flows, the amount and terms of our existing indebtedness, general market conditions and market conditions for financing activities and the economic, political and other conditions in the markets where we operate. We cannot assure you that we will be able to raise additional financing on acceptable terms in a timely manner or at all. Our failure to renew arrangements for existing funding or to obtain additional financing on acceptable terms and in a timely manner could adversely impact our planned capital expenditure, our business, results of operations and financial condition.

**17. Our Registered Office is not owned by us. The same is occupied by us on lease/leave and license basis. Disruption of our rights as licensee / lessee or termination of the agreements with our licensors / lessors would adversely impact our operations and, consequently, our business.**

Our registered office from where we operate is not owned by our Company. Our Company has been occupying the registered office on leasehold basis through a deed of lease entered into by our Company with our promoter Mr. Mahesh Shah for a period of 60 months commencing from April 01, 2017 and ending on March 31, 2022 at a monthly rent of ₹15,000/- and a deposit of ₹ 6,00,000/- . We believe that such a transaction has been conducted on an arms-length basis, and there can be no assurance that our company could not have achieved more favourable terms if had such a transaction not been entered into with related party.

We cannot assure that our Company will be able to successfully renew the said lease agreement on expiry of the lease period. Further, we cannot assure that we will not face any disruption in respect of our rights as a lessee and that such lease agreement will not be terminated prematurely by the lease. Any such non-renewal or early termination or any disruption of our rights as lessee may require us to vacate the premises and relocate to a new premises on terms that may not be favourable to us thereby adversely affecting our business, financial conditions and result of operations.

**18. *Our business is relatively concentrated in the state of Maharashtra and may be affected by various factors associated with Maharashtra.***

Our main area of operations is Maharashtra, majority of our revenue is from Maharashtra itself. Even though we have had projects in Gujarat and Rajasthan, our concentration has always been Maharashtra. The concentration of our business in Maharashtra subjects us to various risks, including but not limited to:

1. Regional slowdown in construction activities or reduction of infrastructure projects in Maharashtra.
2. Vulnerability to change of policies, laws and regulations or the political and economic environment of Maharashtra;
3. Perception by our potential clients that we are a regional construction company, which hampers us from competing for large and complex projects at the national level; and
4. Limitation on our ability to implement the strategy to cluster projects in the states where we intend to conduct business.

While we strive to diversify across states and reduce our concentration risk, there is no guarantee that the above factors associated with Maharashtra will not continue to have a significant impact on our business. If we are not able to mitigate this concentration risk, we may not be able to develop our business as we planned and our business, financial condition and results of operations could be materially and adversely affected.

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

Our success is substantially dependent on the expertise and services of our Directors, Promoters and our Key Managerial Personnel. They provide expertise which enables us to make well informed decisions in relation to our business and our future prospects. Our future performance will depend upon the continued services of these persons. Demand for Key Managerial Personnel in the industry is intense. We cannot assure you that we will be able to retain any or all, or that our succession planning will help to replace, the key members of our management. The loss of the services of such key members of our management team and the failure of any succession plans to replace such key members could have an adverse effect on our business and the results of our operations. For further details of our Directors and key managerial personnel, please refer to the chapter titled "Our Management" beginning on page no. 109 of this Prospectus.

**20. *Employee misconduct, errors or fraud could expose us to business risks or losses that could adversely affect our business prospects, results of operations and financial condition. middle***

Employee misconduct, errors or frauds could expose us to business risks or losses, including regulatory sanctions, penalties and serious harm to our reputation. Such employee misconduct includes breach in security requirements, misappropriation of funds, hiding unauthorized activities, failure to observe our stringent operational standards and processes, and improper use of confidential information. It is not always possible to detect or deter such misconduct, and the precautions we take to prevent and detect such misconduct may not be effective. In addition, losses caused on account of employee misconduct or misappropriation of petty cash expenses and advances may not be recoverable, which we may result in write-off of such amounts and thereby adversely affecting our results of operations. Our employees may also commit errors that could subject us to claims and proceedings for alleged

negligence, as well as regulatory actions in which case, our reputation, business prospects, results of operations and financial condition could be adversely affected.

**21. *Any disproportionate increase in labour costs including increase in wage/salary demand, labour unrest or labour claims arising from accidents may adversely affect our business operations and financial conditions.***

Our increasing business operations may require our employee strength to increase in future. In the past our Company has not experienced any labour unrest, but there is no assurance that it will not experience the same at any time in the future. Also, there is a possibility that the labour costs increase disproportionately due to increase in wage/salary demand. In this event, if our Company is unable to pass on the increased costs to our customers, our business operations and financial conditions may be adversely affected.

**22. *Our insurance may not be adequate to protect us against all potential losses to which we may be subject.***

We maintain insurance coverage for some of the potential risks that we may face. However, not all of our risks may be insurable or possible to insure on commercially reasonable terms. Our insurance may not provide adequate coverage in certain circumstances and is subject to certain deductibles, exclusions and limits on coverage. We cannot assure you that the operation of our projects or infrastructure assets will not be affected by any of the conditions above, or that the terms of our insurance policies will be adequate to cover any damage caused by any such incidents and hazards. Further, there can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part or on time. Should an uninsured loss or a loss in excess of insured limits occur, we would lose the anticipated revenue from the construction contract and, in the case of our projects, the loss of our investment in the relevant project company. Additionally, the insurance policies may not cover our losses, in past or at all. For further details on our insurance arrangements, please refer to the chapter titled “Our Business” beginning on page no. 84 of this Prospectus.

**23. *Our inability to obtain or maintain approvals or licenses required for our operations may adversely affect our operations.***

We require certain statutory and regulatory approvals, licenses, registrations and permissions, and applications need to be made at the appropriate stages for our business to operate. In our construction business, government delays in obtaining approvals may result in cost increases in the price of construction materials from original estimates which cannot generally be passed on to clients and may also adversely affect our ability to mobilize our equipment and manpower. There can be no assurance that the relevant authorities will issue these approvals or licenses, or renewals thereof in a timely manner, or at all. We may experience delays in obtaining financial closures, locking in interest rates under loan agreements, or completing work according to schedules. As a result, we may not be able to execute our business plan. Government approvals, licenses, clearances and consents are often also subject to numerous conditions, some of which are onerous and may require significant expenditure. If we fail to comply, or a regulator claims that we have not complied, with these conditions, we may not be able to commence or continue with work or operate these projects. For further information on various approvals or licenses required in connection with our operations, please refer to the chapter titled “Government and Other Key Approvals” beginning on page no. 173 of this Prospectus.

**24. *We have entered into joint venture agreement with other parties, which may lead to disputes with other parties, which may adversely affect our operations.***

Some of our on-going projects are in joint venture with other parties. The Memorandum of Understanding confers the proportion of work as well as profit to be decided. These arrangements may limit our flexibility to make certain decisions in relation to the projects. Any disputes that may arise between us and our joint venture agreement parties may cause delay in completion, suspension or complete abandonment of the project we undertake. This may have a material adverse effect on our business, financial condition and reputation. For more details regarding joint ventures of our company, please see “History and Certain Corporate Matters” chapter on page no. 103 of this Prospectus.

**25. *Failure to provide performance security may result in forfeiture of the bid security and termination of the contract.***

We are required to deliver a performance security or bank guarantee to the authority for each project and are also required to ensure that the performance security is valid and enforceable until we remedy any defects during the defect liability period under the relevant contract. Delay or inability in providing a performance security within



the stipulated period with respect to the project may result in termination of the contract or enforcing of the bid security.

**26. Our business is subject to various operating risks at our construction sites, the occurrence of which can affect our results of operations and consequently, financial condition of our Company.**

Our business operations are subject to operating risks, such as breakdown or failure of equipments used at the project sites, weather conditions, interruption in power supply, shortage of consumables, performance below expected levels of output or efficiency, natural disasters, obsolescence, labour disputes, accidents, our inability to respond to technological advancements and emerging construction industry standards and practices along with the need to comply with the directives of relevant government authorities. The occurrence of these risks, if any, could significantly affect our operating results, and the slowdown / shutdown of business operations may have a material adverse affect on our business operations and financial conditions

**27. Our Group Company is engaged in the same line of business similar as our Company. We cannot assure that our Promoters will not favour the interests of that company over our interest or that the said entities will not expand which may increase our competition, which may adversely affect business operations and financial condition of our Company.**

Our Group Company namely, Jinalaya Infratech Private Limited, is engaged in the similar line of business of real estate development, as of our Company. Further, we have not entered into any non-compete agreement with any of said entity. We cannot assure that our Promoters who have common interest in said entity will not favour the interest of the said entity. As a result, conflicts of interests may arise in allocating business opportunities amongst our Company and our Group Company in circumstances where our respective interests conflict. In cases of conflict, our Promoters may favour their companies in which our Promoters have interest. There can be no assurance that our Promoters or our Group Company 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. For details regarding Group Company, please see “Our Group Companies”, on page no. 125 of this Prospectus.

**28. One of our return of allotment for 600 shares allotted on March 31,2008 was not filed and the company is in process of taking corrective action as well as filing of compounding application for the same.**

One of our return of allotment for 600 shares allotted on March 31,2008 was not filed and the company is in process of taking corrective action as well as filing of compounding application for the same.

Our company may have to bear penalty or action, if any, taken by the relevant regulatory authorities for the same.


**29. We have issued Equity shares in the last 12 months at a price lower than the Offer Price.**

We have issued certain Equity Shares in the last twelve months, at a price that may be lower than the Offer Price. Details of such issuances are given in the table below:

| Date of Allotment | Name of Allottees     | Number of shares | Offer Price | Nature of Allotment |
|-------------------|-----------------------|------------------|-------------|---------------------|
| December 18, 2017 | Mr. Mahesh Shah       | 6,63,700         | Nil         | Bonus Allotment.    |
|                   | Mrs. Mamta Shah       | 1,46,000         |             |                     |
|                   | Mr. Mahesh Shah (HUF) | 2,56,700         |             |                     |
|                   | Krushang Shah         | 66,550           |             |                     |
|                   | Arvind Shah           | 1,28,000         |             |                     |
|                   | Reshal Shah           | 5,100            |             |                     |
|                   | Lavgaben Shah         | 200              |             |                     |
|                   | Ashok Jain            | 15,000           |             |                     |
|                   | Narendra Kachhawah    | 70,100           |             |                     |
|                   | B. U. Chaudhary       | 1,20,000         |             |                     |
|                   | Deepak Trivedi        | 200              |             |                     |
|                   | Hitesh Shah           | 200              |             |                     |
|                   | Maniben Godani        | 100              |             |                     |

|  |                        |     |  |  |
|--|------------------------|-----|--|--|
|  | Vasant Lalchand Godani | 100 |  |  |
|  | Kalavati Ashok Kaba    | 100 |  |  |

**30. Intellectual property rights are important to our business and we may be unable to protect them from being infringed by others which may adversely affect our business value, financial condition and results of operations.**

As on the date of this Prospectus, we have not yet obtained registration for our logo  and hence we do not enjoy the statutory protection accorded to a registered trademark.

Additionally, we have not made any application for the registration of our logo. We may remain vulnerable to infringement and passing-off by third parties and will not be able to enforce any rights against them. We may also need to change our logo which may adversely affect our reputation and business and could require us to incur additional costs. Although, we believe that that our present systems are adequate to protect our confidential information and intellectual property, there can be no assurance that our intellectual property data, trade secrets or proprietary technology will not be copied, infringed or obtained by third parties. Further, our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. This may lead to litigations and any such litigations could be time consuming and costly and their outcome cannot be guaranteed. Our Company may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our intellectual property, which may adversely affect our business, financial condition and results of operations. For further details pertaining to our intellectual property, please refer to the chapter titled “Our Business” beginning on page no. 84 of this Prospectus.

**31. The rate of interest for the loans obtained by us from the bank is variable and any increase in interest rates may adversely affect our results of operations and financial condition.**

Our Company is susceptible to changes in interest rates and the risks arising there from. Our sanction letters provide for interest at variable rates with a provision for the periodic resetting of interest rates. Further the lenders are entitled to change the applicable rate of interest, which is a combination of a base rate that depends upon the policies of the RBI and a contractually agreed spread, and in the event of an adverse change in our Company’s credit risk rating. For further details of interest payable on our borrowings, please refer to the chapter titled “Financial Indebtedness” on page no. 164 of this Prospectus. Further, in recent years, the Government of India has taken measures to control inflation, which have included tightening the monetary policy by raising interest rates. As such, any increase in interest rates may have an adverse effect on our business, results of operations, cash flows and financial condition.

**32. 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 licences 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.**

We require several statutory and regulatory permits, licenses and approvals to operate our business, some of which our Company has either received, applied for or is in the process of application. 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.

Further, as on date of this Prospectus, our Company has not obtained the following approvals as on the date of this Prospectus:

1. Certificate of Registration under the Gujarat State Tax on Professions, Trades, Callings and Employments Act, 1976 for the Company’s corporate office located at Shop No. 22, Prime Arcade, Navsari, Baroda;

2. Certificate of Enrollment under the Gujarat State Tax on Professions, Trades, Callings and Employments Act, 1976 for the Company's corporate office located at Shop No. 22, Prime Arcade, Navsari, Baroda and
3. Certificate of Registration under the Gujarat Shops and Establishments Act, 1948 for the Company's corporate office located at Shop No. 22, Prime Arcade, Navsari, Baroda.

Our Company may be liable to penalty or fine as provided under the Gujarat State Tax on Professions, Trades, Callings and Employments Act, 1976 and the Gujarat Shops and Establishments Act, 1948.

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 chapters titled “Key Industry Regulations and Policies” and “Government and Other Key Approvals” at page nos. 96 and 173 respectively of this Prospectus.

**33. *Our Company in the past has entered into Related Party Transactions and may continue to do so in future also, which may adversely affect our competitive edge and better bargaining power if entered with non-related parties resulting into relatively more favourable terms and conditions and better margins.***

Our Company has entered into certain related party transactions with our Promoter, Directors and the Promoter Group. While our Company believes that all such transactions have been conducted on the arms length basis, there can be no assurance that it could not have been achieved on more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that our Company will enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operation. For details, please refer to “Annexure XXIX - Related Party Transactions” under section titled “Financial Statements” on page no. 130 of this Prospectus.

**34. *The deployment of the Net Proceeds from the Offer are based on management estimates and have not been independently appraised by any bank or financial institution and is not subject to any monitoring by any independent agency and our Company's management will have flexibility in utilizing the Net Proceeds from the Offer.***

Our Company intends to primarily use the Net Proceeds from the Offer towards repayment of unsecured loans as described in “Objects of the Offer” on page no. 63 of this Prospectus. In terms of Regulation 16 of the SEBI (ICDR) Regulations, we are not required to appoint a monitoring agency since the Fresh Issue size is not in excess of ₹ 100 crores. The management of our Company will have discretion to use the Net Proceeds from the Offer, and investors will be relying on the judgment of our Company's management regarding the application of the Net Proceeds from the Offer. Our Company may have to revise its management estimates from time to time and consequently its requirements may change. Additionally, various risks and uncertainties, including those set forth in this section “Risk Factors”, may limit or delay our Company's efforts to use the Net Proceeds from the Fresh Issue to achieve profitable growth in its business.

Further, pursuant to Section 27 of the Companies Act 2013, any variation in the objects would require a special resolution of the Shareholders and would be required to provide an exit opportunity to the shareholders who do not agree with our proposal to change the objects of the Offer, at a price and manner as specified in Chapter VI-A of the SEBI ICDR Regulations pursuant to the SEBI ICDR (Second Amendment) Regulations, 2016 dated February 17, 2016. Additionally, the requirement on Promoters or controlling shareholders to provide an exit opportunity to such dissenting shareholders may deter the Promoters or controlling shareholders from agreeing to the variation of the proposed utilisation of our Net Proceeds, even if such variation is in our interest. Further, we cannot assure you that our Promoters or the controlling shareholders will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price which may be prescribed by SEBI.

Accordingly, prospective investors in this Offer will need to rely upon our management's judgment with respect to the use of Net Proceeds. If we are unable to enter into arrangements for utilization of Net proceeds as expected and assumed by us in a timely manner or at all, we may not be able to derive the expected benefits from the proceeds of the Offer and our business and financial results may suffer.

**35. *It is difficult to predict our future performance, or compare our historical performance between periods, as our revenue fluctuates significantly from period to period.***

Our revenue depends on the number of projects we obtain from awarding authority based on the tender filled by us. The revenue is periodically recognized by us, based on certification given by the client. Our results of operations may vary period to period as in some periods, work may be slow or the client would review after only a certain percent of the work is completed. Depending on our operating results in one or more periods, we may experience cash flow problems, thereby resulting in our business, financial condition and results of operations being adversely affected. Such fluctuations may also adversely affect our ability to fund ongoing and future projects. As a result of one or more of these factors, we may record significant turnover or profits during one accounting period and significantly lower turnover or profits during prior or subsequent accounting periods.

**36. *The acquisition of other companies, businesses or technologies in the future could result in operating difficulties, integration issues and other adverse consequences due to our limited past experience in acquiring businesses.***

In past, we have acquired M/s. Giriraj Enterprises a proprietary concern business in the year 2005. To foster our growth; we may consider making additional acquisitions in the future to expand our business. However, we have limited experience in acquiring businesses, and any acquisitions we undertake could limit our ability to integrate an acquired business and may create unforeseen operating difficulties and expenditures, including potentially dilutive issuances of the Equity Shares, incurrence of debt, contingent liabilities or amortization expenses or write-offs of goodwill, difficulties in integrating the operations, technologies, research and development activities, personnel and distribution, marketing and promotion activities of acquired businesses and ineffectiveness or incompatibility of acquired technologies.

Further; when we acquire businesses we may have to pay a certain amount of premium to the outgoing management / shareholders for synergic benefits that we may accrue compared to standalone valuations of those firms / businesses / companies. Our inability to identify suitable acquisition opportunities or adequately priced acquisitions, entering into agreement with such parties or obtain the necessary financing to make such acquisitions could adversely affect our future growth. Moreover, the costs of identifying and consummating acquisitions may be significant. Also, acquired assets or businesses may not generate the financial results we expect. We may also have to obtain approvals and licenses from the relevant government authorities for the acquisitions and to comply with any applicable laws and regulations, which could result in increased costs and delay. We cannot assure you that we will be able to achieve the strategic objective for such an acquisition. Furthermore, if an acquisition generates insufficient revenues or if we are unable to manage our expanded business operations efficiently, our consolidated results of operations could be materially and adversely affected

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

We may have to confront pressures in respect of pricing; product quality etc. from the clients and such pressures may put strain on our profit margins which may consequently affect the financial position of our Company. Competition emerges not only from the organized sector but also from the unorganized sector and from both small and big players. Our Competitiveness is also measured by the technology we adopt as the industry is rapidly growing in India. Our inability to compete with this intense competition; will have material adverse impact on our Company's financial position.

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

Some of our Directors (including our Promoters) and Key Management Personnel are interested in our Company to the extent of their shareholding and dividend entitlement in our Company, in addition to normal remuneration, incentives or benefits and reimbursement of expenses. We cannot assure you that our Directors or our Key Management Personnel would always exercise their rights as Shareholders to the benefit and best interest of our Company. As a result, our Directors 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 may be unable to affect the outcome of such voting. Our Directors may take or block actions with respect to our business, which may conflict with our best interests or the interests of other minority Shareholders, such as actions with respect to future capital raising or acquisitions. We cannot

assure you that our Directors will always act to resolve any conflicts of interest in our favour, thereby adversely affecting our business and results of operations and prospects.

**39. *If we are not able to manage our growth or to successfully implement our business plan, it could have an effect on our results of operations and financial condition.***

The success of our business will depend greatly on our ability to effectively implement our business and growth strategy. Our growth strategy involves focusing on Enhance our system of equipment usage, development of projects through joint development model etc. For further details, see the section titled “*Our Business – Our Strategies*” on page no. 84 of this Prospectus. Our success in implementing our growth strategies may be affected by:

- Marketing and Communication Strategy;
- Partnerships with industry and non-governmental players;
- Networking
- Customer Retention Strategy
- Pricing Strategy

If our Company is not able to execute our strategy on time and within our estimated budget, or that our expansion and development plans will increase our profitability. Any of these factors could impact our results of operations. Further, we expect our growth strategy to place significant demands on our management, financial and other resources and require us to continue developing and improving our operational, financial and other internal controls. Our inability to manage our business and implement our growth strategy could have an effect on our business, financial condition and profitability.

**40. *Our Promoter and Director have extended personal guarantees in connection with certain of our debt facilities. There can be no assurance that such personal guarantees will be continued to be provided by our Promoters in the future or can be called at any time, affecting the financial.***

Our Promoter and Director have provided personal guarantees for our borrowings to secure our loans. If any of these guarantees are revoked, our lenders may require alternative guarantees or collateral or cancellation of such facilities, entailing repayment of amounts outstanding under such facilities. If we are unable to procure alternative guarantees satisfactory to our lenders, we may need to seek alternative sources of capital, which may not be available to us at commercially reasonable terms or at all, or to agree to more onerous terms under our financing agreements, which may limit our operational flexibility. Accordingly, our business, financial condition, results of operations, cash flows and prospects may be adversely affected by the revocation of all or any of the personal guarantees provided by our Promoters in connection with our Company’s borrowings.

**41. *Our Promoter and Promoter Group will continue to retain majority shareholding in us after the Offer, which will allow them to exercise significant influence over us and potentially create conflicts of interest.***

After the completion of Initial Public Offer of up to 3,00,000 Fresh Equity Shares to general public still, our Promoters and Promoter Group may beneficially own approximately 59.57% of our post-Offer equity share capital. As a result, the Promoter and Promoter Group may have the ability to control our business including matters relating to any sale of all or substantially all of our assets, the timing and distribution of dividends and the election or termination of appointment of our officers and directors. This control could delay, defer or prevent a change in control of the Company, impede a merger, consolidation, takeover or other business combination involving the Company, or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of the Company even if it is in the Company’s best interest. In addition, for so long as the Promoter Group continues to exercise significant control over the Company, they may influence the material policies of the Company in a manner that could conflict with the interests of our other shareholders. The Promoter Group may have interests that are adverse to the interests of our other shareholders and may take positions with which our other shareholders do not agree.

**42. *In the event there is any delay in the completion of the Offer, there would be a corresponding delay in the completion of the objects / schedule of implementation of this Offer which would in turn affect our revenues and results of operations.***

The funds that we receive would be utilized for the Objects of the Offer as has been stated in the Chapter “*Objects of the Offer*” on page no. 63 of the Prospectus. The proposed schedule of implementation of the objects of the



Offer is based on our management's estimates. If the schedule of implementation is delayed for any other reason whatsoever, including any delay in the completion of the Offer, we may have to revise our business, development and working capital plans resulting in unprecedented financial mismatch and this may adversely affect our revenues and results of operations.

**43. *Our Company will not receive any proceeds from the Offer for Sale portion.***

This Offer comprises of an offer for sale of 6,00,000 Equity Shares by our Promoter Selling Shareholders Mr. Mahesh Shah and Mrs. Mamta Shah and our Promoter Group Selling Shareholder Mahesh K. Shah (HUF). The proceeds from the Offer pertaining to the above sale shares will be paid to the aforesaid persons in proportion of the Equity Shares offered by them in the Offer and we will not receive any proceeds from the Offer. For further details, please refer the chapter titled "Objects of the Offer" on page no. 63 of the Prospectus.

**44. *The rate of interest for the loans obtained by us from the bank is variable and any increase in interest rates may adversely affect our results of operations and financial condition.***

Our Company is susceptible to changes in interest rates and the risks arising there from. Our sanction letters provide for interest at variable rates with a provision for the periodic resetting of interest rates. Further the lenders are entitled to change the applicable rate of interest, which is a combination of a base rate that depends upon the policies of the RBI and a contractually agreed spread, and in the event of an adverse change in our Company's credit risk rating. For further details of interest payable on our borrowings, please refer to the chapter titled "Financial Indebtedness" on page no. 164 of this Prospectus Further, in recent years, the Government of India has taken measures to control inflation, which have included tightening the monetary policy by raising interest rates. As such, any increase in interest rates may have an adverse effect on our business, results of operations, cash flows and financial condition.

**45. *The requirements of being a public listed company may strain our resources and impose additional requirements.***

With the increased scrutiny of the affairs of a public listed company by shareholders, regulators and the public at large, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur in the past. We will also be subject to the provisions of the listing agreements signed with the Stock Exchanges which require us to file unaudited financial results on a half yearly basis. In order to meet our financial control and disclosure obligations, significant resources and management supervision will be required. As a result, management's attention may be diverted from other business concerns, which could have an adverse effect on our business and operations. There can be no assurance that we will be able to satisfy our reporting obligations and/or readily determine and report any changes to our results of operations in a timely manner as other listed companies. In addition, we will need to increase the strength of our management team and hire additional legal and accounting staff with appropriate public company experience and accounting knowledge and we cannot assure that we will be able to do so in a timely manner.

**46. *The Offer Price of our Equity Shares may not be indicative of the market price of our Equity Shares after the Offer.***

The Offer price based on numerous factors and may not be indicative of the market price for our Equity Shares after the Offer. The market price of our Equity Shares could be subject to significant fluctuations after the Offer, and may decline below the Offer Price. There can be no assurance that you will be able to resell your Shares at or above the Offer Price. Among the factors that could affect our Share price are: quarterly variations in the rate of growth of our financial indicators, such as earnings per share, net profit and income; changes in income or earnings estimates or publication of research reports by analysts; speculation in the press or investment community; general market conditions; and domestic and international economic, legal and regulatory factors unrelated to our performance.

**Risks Relating to the Offer and Investments in our Equity Shares**

**47. *The Equity Shares issued pursuant to the Offer may not be listed on the Stock Exchange in a timely manner, or at all, and any trading closures at the Stock Exchange may adversely affect the trading price of our Equity Shares.***

In accordance with Indian law and practice, permission for listing and trading of the Equity Shares issued pursuant to the Offer will not be granted until after the Equity Shares have been issued and allotted. Approval for listing and trading will require all relevant documents authorising the issuing of Equity Shares to be submitted and there could therefore be a failure or delay in listing the Equity Shares on the Stock Exchanges. Any failure or delay in obtaining such approval would restrict your ability to dispose of your Equity Shares. 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 U.S. The Stock Exchanges have in the past experienced problems, including temporary exchange closures, broker defaults, settlements delays and strikes by brokerage firm employees, which, if continuing or recurring, could affect the market price and liquidity of the securities of Indian companies, including the Equity Shares, in both domestic and international markets. A closure of, or trading stoppage on, either of the Stock Exchanges could adversely affect the trading price of the Equity Shares.

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

The price of our Equity Shares will be subject to a daily circuit breaker imposed by all stock exchanges in India which does not allow transactions beyond a certain level of volatility in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by the SEBI on Indian stock exchanges. The percentage limit on our circuit breaker is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges do not inform us of the percentage limit of the circuit breaker from time to time, and may change it without our knowledge. This circuit breaker effectively limits upward and downward movements in the price of the Equity Shares. As a result, shareholders' ability to sell the Equity Shares, or the price at which they can sell the Equity Shares, may be adversely affected at a particular point in time.

**49. *The Equity Shares have never been publicly traded and the Offer may not result in an active or liquid market for the Equity Shares.***

Prior to the Offer, there has been no public market for the Equity Shares and an active public market for the Equity Shares may not develop or be sustained after the Offer. Listing and quotation does not guarantee that a trading market for the Equity Shares will develop or, if a market does develop, the liquidity of that market for the Equity Shares. Although we currently intend that the Equity Shares will remain listed on the Stock Exchanges, there is no guarantee of the continued listing of the Equity Shares. Failure to maintain our listing on the Stock Exchanges or other securities markets could adversely affect the market value of the Equity Shares.

**50. *We may not declare dividends in the foreseeable future.***

We may retain all future earnings, if any, for use in the operations and expansion of the business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deems relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholders' investments will depend on the appreciation of the price of the Equity Shares. There is no guarantee that our Equity Shares will appreciate in value.

**51. *We may require further equity issuance, which will lead to dilution of equity and may affect the market price of our Equity Shares or additional funds through incurring debt to satisfy our capital needs, which we may not be able to procure and any future equity offerings by us.***

Our growth is dependent on having a strong balance sheet to support our activities. In addition to the Fresh Issue proceeds and our internally generated cash flow, we may need other sources of financing to meet our capital needs which may include entering into new debt facilities with lending institutions or raising additional equity in the capital markets. We may need to raise additional capital from time to time, dependent on business conditions. The factors that would require us to raise additional capital could be business growth beyond what the current balance sheet can sustain; additional capital requirements imposed due to changes in regulatory regime or significant depletion in our existing capital base due to unusual operating losses. Any fresh issue of shares or convertible securities would dilute existing holders, and such issuance may not be done at terms and conditions, which are favourable to the then existing shareholders of our Company. If our Company decides to raise additional funds through the incurrence of debt, our interest obligations will increase, and we may be subject to additional

covenants, which could further limit our ability to access cash flows from our operations. Such financings could cause our debt to equity ratio to increase or require us to create charges or liens on our assets in favour of lenders. We cannot assure you that we will be able to secure adequate financing in the future on acceptable terms, in time, or at all. Our failure to obtain sufficient financing could result in the delay or abandonment of our expansion plans. Our business and future results of operations may be adversely affected if we are unable to implement our expansion strategy.

Any future issuance of Equity Shares by our Company may dilute shareholding of investors in our Company; and hence adversely affect the trading price of our Company's Equity Shares and its ability to raise capital through an issue of its securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Company's Equity Shares. Additionally, the disposal, pledge or encumbrance of Equity Shares by any of our Company's major shareholders, or the perception that such transactions may occur may affect the trading price of the Equity Shares. No assurance may be given that our Company will not issue Equity Shares or that such shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

**52. *You may be subject to Indian taxes arising out of capital gains on the sale of our Equity Shares.***

Under current Indian tax laws, capital gains arising from the sale of equity shares within 12 months in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if Securities Transaction Tax ("STT"), is paid on the transaction. STT is levied on and collected by a domestic stock exchange on which equity shares are sold. Any gain realized on the sale of equity shares held for more than 12 months to an Indian resident, which are sold other than on a recognized stock exchange and on which no STT has been paid, is subject to long term capital gains tax in India. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of equity shares are exempt from taxation in India where an exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable to pay tax in India as well as in their own jurisdiction on a gain on the sale of equity shares.

**53. *Fluctuations in currency exchange rates may have an adverse impact on the investment in our Equity Shares.***

The exchange rate between the Indian Rupee and the U.S. Dollar has changed substantially in recent years and may fluctuate substantially in the future. Fluctuations in the exchange rate between the U.S. Dollar and the Indian Rupee may affect the value of the investment in our Equity Shares of a person resident outside India. Specifically for persons resident outside India, if there is a change in relative value of the Indian Rupee to the U.S. Dollar, each of the following values will also be affected: the U.S. Dollar equivalent of the Indian Rupee trading price of our Equity Shares in India; the U.S. Dollar equivalent of the proceeds that you would receive upon the sale in India of any of our Equity Shares; and the U.S. Dollar equivalent of cash dividends, if any, on our Equity Shares, which will be paid only in Indian Rupee. You may be unable to convert Indian Rupee proceeds into U.S. Dollars or any other currency or the rate at which any such conversion could occur could fluctuate.

**54. *The price of the Equity Shares may be volatile, which could result in substantial losses for investors acquiring the Equity Shares in the Offer.***

The market price of the Equity Shares may be volatile and could fluctuate significantly and rapidly in response to, among others, the following factors, some of which are beyond our control:

- Volatility in the Indian and global securities market or in the value of the Rupee relative to the U.S. Dollar, the Euro and other foreign currencies;
- Our profitability and performance;
- Changes in financial analysts estimates of our performance or recommendations;
- Perceptions about our future performance or the performance of Indian companies in general;
- Performance of our competitors and the perception in the market about investments in the real estate sector;
- Adverse media reports about us or the Indian real estate sector;
- Significant developments in India's economic liberalisation and deregulation policies;
- Significant developments in India's fiscal and environmental regulations;
- Economic developments in India and in other countries; and
- Any other political or economic factors.

These fluctuations may be exaggerated if the trading volume of the Equity Shares is low. Volatility in the price of the Equity Shares may be unrelated or disproportionate to our results of operations. It may be difficult to assess our performance against either domestic or international benchmarks. In addition, Indian securities markets are more volatile than the securities markets in certain countries which are members of the OECD. Indian stock exchanges, including the Stock Exchanges, have experienced substantial fluctuations in the prices of listed securities and problems such as temporary exchange closures, broker defaults, settlement delays and strikes by brokers. The governing bodies of Indian stock exchanges have also, from time to time, imposed restrictions on trading in certain securities, limitations on price movements and margin requirements. Further, disputes have occurred between listed companies, stock exchanges and other regulatory bodies, which in some cases may have had a negative effect on market sentiment. If such or similar problems were to continue or recur, they could affect the market price and liquidity of the securities of Indian companies, including the Equity Shares.

## **EXTERNAL RISK FACTORS**

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

A majority of the provisions and rules under the Companies Act, 2013 have recently been notified and have come into effect from the date of their respective notification, resulting in the corresponding provisions of the Companies Act, 1956 ceasing to have effect. The Companies Act, 2013 has brought into effect significant changes to the Indian company law framework, such as in the provisions related to issue of capital, disclosures in prospectus, corporate governance norms, audit matters, related party transactions, introduction of a provision allowing the initiation of class action suits in India against companies by shareholders or depositors, a restriction on investment by an Indian company through more than two layers of subsidiary investment companies (subject to certain permitted exceptions), prohibitions on loans to directors and insider trading and restrictions on directors and key managerial personnel from engaging in forward dealing. Further, companies meeting certain financial thresholds are also required to constitute a committee of the board of directors for corporate social responsibility activities and ensure that at least 2% of the average net profits of the company during three immediately preceding financial years are utilized for corporate social responsibility activities. Penalties for instances of non-compliance have been prescribed under the Companies Act, 2013, which may result in inter alia, our Company, Directors and key managerial employees being subject to such penalties and formal actions as prescribed under the Companies Act, 2013, should we not be able to comply with the provisions of the New Companies Act within the prescribed timelines, and this could also affect our reputation.

To ensure compliance with the requirements of the Companies Act, 2013 within the prescribed timelines, we may need to allocate additional resources, which may increase our regulatory compliance costs and divert management attention. While we shall endeavour to comply with the prescribed framework and procedures, we may not be in a position to do so in a timely manner.

The Companies Act, 2013 introduced certain additional requirements which do not have corresponding equivalents under the Companies Act, 1956. Accordingly, we may face challenges in interpreting and complying with such provisions due to limited jurisprudence on them. In the event, our interpretation of such provisions of the Companies Act, 2013 differs from, or contradicts with, any judicial pronouncements or clarifications issued by the Government in the future, we may face regulatory actions or we may be required to undertake remedial steps. Additionally, some of the provisions of the Companies Act, 2013 overlap with other existing laws and regulations (such as the corporate governance norms and insider trading regulations). We may face difficulties in complying with any such overlapping requirements. Further, we cannot currently determine the impact of provisions of the Companies Act, 2013, which are yet to come in force. Any increase in our compliance requirements or in our compliance costs may have an adverse effect on our business and results of operations.

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

Our Company is subject to various regulations and policies. For details see section titled “Key Industry Regulations and Policies” beginning on page no. 96 of this Prospectus. Our business and prospects could be materially adversely affected by changes in any of these regulations and policies, including the introduction of new laws, policies or regulations or changes in the interpretation or application of existing laws, policies and regulations. There can be no assurance that our Company will succeed in obtaining all requisite regulatory approvals in the future for our operations or that compliance issues will not be raised in respect of our operations, either of which could have a material adverse effect on our business, financial condition and results of operations.

**57. *Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect our business, results of operations, financial condition and prospects.***

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including the instances mentioned below, may adversely affect our business, results of operations, financial condition and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy.

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

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

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

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

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

**60. *Instability in financial markets could materially and adversely affect our results of operations and financial condition.***

The Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, especially in the United States of America or Europe, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets.

The global financial turmoil, an outcome of the sub-prime mortgage crisis which originated in the United States of America, led to a loss of investor confidence in worldwide financial markets. Indian financial markets have also experienced the contagion effect of the global financial turmoil, evident from the sharp decline in NIFTY, NSE's/SENSEX, BSE's benchmark index. Any prolonged financial crisis may have an adverse impact on the Indian economy and us, thereby resulting in a material and adverse effect on our business, operations, financial condition, profitability and price of our Equity Shares.

**61. *Conditions in the Indian securities market and stock exchanges may affect the price and liquidity of our Equity Shares.***

Indian stock exchanges, which are smaller and more volatile than stock markets in developed economies, have in the past, experienced problems which have affected the prices and liquidity of listed securities of Indian companies. These problems include temporary exchange closures to manage extreme market volatility, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock exchanges have from time to time restricted securities from trading, limited price movements and restricted margin requirements. Further, disputes have occurred on occasion between listed companies and the Indian stock exchanges and other regulatory bodies that, in some cases, have had a negative effect on market sentiment. If similar problems occur in the future, the market price and liquidity of the Equity Shares could be adversely



affected. Further, a closure of, or trading stoppage on, either of the Stock Exchanges could adversely affect the trading price of our Equity Shares.

- 62. We will prepare our financial statements from April 1, 2018 onwards under the Indian Accounting Standards (“Ind AS”). As Ind AS is different in many respects from Indian GAAP, our financial statements from April 1, 2018 may not be comparable to our historical financial statements and our financial statements for the year ending March 31, 2017 prepared under Indian GAAP may not be comparable to our financial statements for the year ending March 31, 2017 prepared under Ind AS for comparison purposes. In addition, our transition to Ind AS reporting could have an adverse effect on our business and results of operations.**

We currently prepare our financial statements under Indian GAAP. The Companies (Indian Accounting Standards) Rules, 2015 (“IAS Rules”), as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016, enacted changes to Indian GAAP that are intended to align Indian GAAP further with IFRS. The IAS Rules provide that the financial statements of the companies to which they apply shall be prepared and audited in accordance with Ind AS. Ind AS is different in many respects from Indian GAAP. All NBFCs and HFCs having a net worth of more than ₹ 5,000.00 million are required to mandatorily adopt Ind AS for the accounting period beginning from April 1, 2018, with comparatives for the period ending on March 31, 2017. Although any company may voluntarily implement Ind AS for the accounting period beginning from April 1, 2015, we intend to implement Ind AS for the accounting period beginning from April 1, 2018. As there is not yet a significant body of established practice, such as interpretations of Ind AS, on which to draw in forming judgments regarding the Ind AS implementation and application, we have not determined with any degree of certainty the impact the adoption of Ind AS will have on our financial statements. However, we know that the Ind AS will change our methodology for estimating allowances for doubtful debt losses. Ind AS will require us to value our NPAs by reference to their market value (if a ready market for such loans exists) or to calculate the present value of the expected future cash flows realisable from our loans, including the possible liquidation of collateral (discounted at the loan’s effective interest rate) in estimating allowances for doubtful debt losses. This may result in us recognising higher allowances for doubtful debt losses in the future, which will adversely affect our results of our operations. Accordingly, our financial statements for the period commencing from April 1, 2018 may not be comparable to our historical financial statements and our financial statements for the year ending March 31, 2017 prepared under Indian GAAP may not be comparable to our financial statements for the year ending March 31, 2017 prepared under Ind AS for comparison purposes.

In our transition to Ind AS reporting, we may encounter difficulties in the on-going process of implementing and enhancing our management information systems. Our management may also have to divert significant time and additional resources in order to implement Ind AS on a timely and successful basis. Moreover, there is increasing competition for the small number of Ind AS experienced accounting personnel available as more Indian companies begin to prepare Ind AS financial statements. Therefore, our transition to Ind AS reporting could have an adverse effect on our business and results of operations.

## PROMINENT NOTES

- Investors are free to contact the Lead Manager for any clarification, complaint or information pertaining to the Offer. The Lead Manager and our Company shall make all information available to the public and investors at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever.
- The Net Worth of our Company (net of revaluation reserves) is ₹ 1,890.6 Lakhs and ₹ 1,763.48 Lakhs and the book value of each Equity Share was ₹ 64.22 and ₹ 119.80 as of December 31, 2017 and March 31, 2017 as per our Restated Financial Statements. For more information, please refer the Section titled “Financial Statements” beginning on page no. 130 of this Prospectus.
- Public Offer of 9,00,000 Equity Shares for cash at price of ₹ 100 per share including a premium of ₹ 90 aggregating to ₹ 900.00 Lakhs. The Offer will constitute 27.74 % of the post-Offer paid-up Equity Share capital of our Company.
- The average cost of acquisition of Equity Shares by our Promoters are:

| Promoter        | Average cost (₹) |
|-----------------|------------------|
| Mr. Mahesh Shah | 3.89             |
| Mrs. Mamta Shah | 3.29             |

5. Investors are advised to refer to the chapter titled “*Basis for Offer Price*” beginning on page no. 69 of this Prospectus.
6. The details of transactions by our Company with our Group Company during the last year are disclosed under “*Annexure XXIX - Statement of Related Party Transactions*” under “*Financial Statements*” on page no. 130 of this Prospectus.
7. There are no financing arrangements whereby the Promoter Group, the Directors of our Company who are the Promoters of our Company, the Directors of our Company and their relatives have financed the purchase by any other person of securities of our Company during the period of 6 (six) months immediately preceding the date of the Prospectus.
8. Our Company was initially incorporated on October 19, 2005 as “*Giriraj Civil Developers Private Limited*” under the provisions of the Companies Act 1956, with the Registrar of Companies, Mumbai, Maharashtra, bearing Registration Number 156879.

Subsequently, the status of our Company was changed to public limited company and the name of our Company was changed to “*Giriraj Civil Developers Limited*” on December 26, 2017. A fresh Certificate of Incorporation consequent to the change of name was granted to our Company on January 22, 2018, by the Registrar of Companies, Mumbai, Maharashtra, bearing CIN U45200MH2005PLC156879.

## SECTION III- INTRODUCTION

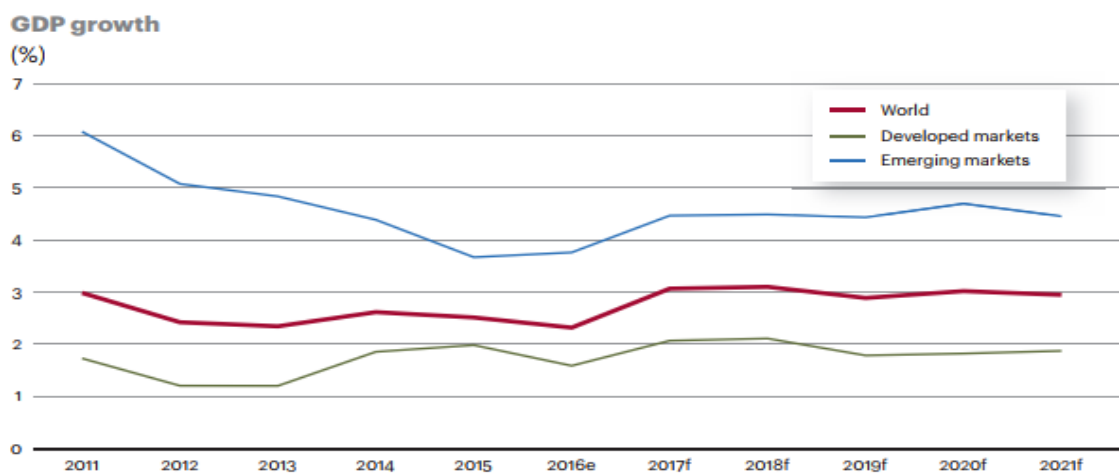
### SUMMARY OF OUR INDUSTRY

*The information in this chapter has been extracted from the websites of and publicly available documents from various sources. The data may have been re-classified by us for the purpose of presentation. Neither we nor any other person connected with this Offer has independently verified the information provided in this chapter. Industry sources and publications, referred to in this chapter, generally state that the information contained therein has been obtained from sources generally believed to be reliable but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured, and, accordingly, investment decisions should not be based on such information.*

#### Overview of the global and Indian Economy

The global economy remains sluggish heading into 2017, but the growth outlook is nevertheless somewhat stronger than in recent years. On the positive side, we anticipate a few bright spots in the global economy, such as the US and Indian economies, and the marginal recovery of the Brazilian and Russian economies in 2017. Much of this boost will only be short term, however, so the base case forecast is flat over the next five years, with average annual growth rate of 3% projected through 2021. This very modest recovery will be uneven. South Asia, Sub-Saharan Africa and East Asia will see the highest level of dynamism over the next five years. On the negative side, growth in the developed market regions will continue to be weak, and Latin America will underperform relative to other emerging market regions.

**Figure 1**  
**Global economic growth will strengthen marginally this year**



Notes: GDP is measured at market exchange rates. Developed markets are those that the IMF characterizes as "advanced economies" and emerging markets are those that the IMF characterizes as "emerging market and developing economies."  
Sources: International Monetary Fund, Oxford Economics, Economist Intelligence Unit; A.T. Kearney analysis

Four economic elements in particular help explain why projected growth is flat: the growing strength of US Dollar, continuation of the global resource slump cycle, the ongoing hiatus in globalisation and sustained weak productivity gains. As important as these and other economic fundamentals are political, policy, regulatory, and geopolitical risks will largely determine economic outcomes. This creates an even more uncertain global operating environment for businesses, as national politics is becoming even more unpredictable in key markets around the world. Five of these political risks in particular represent a substantial drag on the global economic outlook- monetary policy, fiscal policy, regulation of new economy, protectionism, and geopolitical and domestic political shocks.

([https://www.atkearney.com/web/the-purchasing-chessboard/article/-/asset\\_publisher/9AutfSQfJm6Y/content/global-economic-outlook-2017-2021-the-all-too-visible-hand/236833](https://www.atkearney.com/web/the-purchasing-chessboard/article/-/asset_publisher/9AutfSQfJm6Y/content/global-economic-outlook-2017-2021-the-all-too-visible-hand/236833))

## Indian Economy Overview

Economic growth is projected to remain strong and India will remain the fastest growing G20 economy. The increase in public wages and pensions will support consumption. Private investment will recover gradually as excess capacity diminishes, and the landmark Goods and Services Tax and other measures to improve the ease of doing business are being implemented. However, large non-performing loans and high leverage of some companies are holding back investment. Monetary policy is projected to remain tight as inflation expectations have still not fully adjusted down. The need to reduce the relatively high public-debt-to-GDP ratio leaves little room for fiscal stimulus.

However, investing more in physical and social infrastructure is critical to raising living standards for all. This should be financed by a comprehensive reform of income and property taxes. Restoring credit discipline and cleaning up banks' balance sheets will be instrumental to support the credit growth needed to finance more business investment. Trade openness has increased, partly driven by a competitive service sector. Manufacturing has lagged behind, with limited contribution to exports and job creation, leaving many workers in low-paid jobs. Promoting quality job creation in manufacturing would require reducing further restrictions on FDI and trade, modernising labour regulations and providing better education and skills. Better infrastructure, transport and logistic services would facilitate manufacturing firms' access to global markets, particularly from remote and poorer regions.

### India: Demand, output and prices

|   | 2013                           | 2014   | 2015 | 2016 | 2017 | 2018 |
|---|--------------------------------|--|------|------|------|------|
|   | Current prices<br>INR trillion | Percentage changes, volume<br>(2012/2013 prices) |      |      |      |      |
| <b>GDP at market prices</b>                         | 112.4                          | 7.2  | 7.9  | 7.1  | 7.3  | 7.7  |
| Private consumption                                 | 65.4                           | 6.8  | 7.3  | 7.2  | 7.7  | 8.2  |
| Government consumption                              | 11.6                           | 9.4  | 2.9  | 17.0 | 10.3 | 9.2  |
| Gross fixed capital formation                       | 35.1                           | 4.1  | 6.1  | 0.6  | 4.7  | 5.9  |
| Final domestic demand                               | 112.1                          | 6.2  | 6.5  | 6.3  | 7.2  | 7.7  |
| Stockbuilding <sup>1</sup>                          | 3.7                            | 0.3  | 0.0  | 0.4  | 0.0  | 0.0  |
| Total domestic demand                               | 115.7                          | 6.9  | 7.6  | 6.3  | 6.6  | 7.4  |
| Exports of goods and services                       | 28.6                           | 1.7  | -5.4 | 2.3  | 5.5  | 6.1  |
| Imports of goods and services                       | 31.9                           | 0.8  | -5.9 | -1.2 | 2.0  | 4.9  |
| Net exports <sup>1</sup>                            | -3.4                           | 0.2  | 0.2  | 0.7  | 0.7  | 0.2  |
| <b>Memorandum items</b>                             |                                |  |      |      |      |      |
| GDP deflator  | —                              | 3.2  | 1.9  | 4.1  | 4.3  | 4.3  |
| Consumer price index                                | —                              | 5.9  | 4.9  | 4.5  | 4.8  | 4.6  |
| Wholesale price index (WPI) <sup>2</sup>            | —                              | 2.0  | -2.5 | 3.7  | 4.2  | 4.1  |
| General government financial balance <sup>3,4</sup> | —                              | -6.5   | -7.5 | -7.0 | -6.7 | -6.4 |
| Current account balance <sup>3</sup>                | —                              | -1.3   | -1.1 | -0.7 | -0.9 | -1.2 |

Note: Data refer to fiscal years starting in April.

1. Contributions to changes in real GDP, actual amount in the first column.

2. All commodities index.

3. As a percentage of GDP.

4. Gross fiscal balance for central and state governments.

Source: OECD Economic Outlook 101 database.

Exports have picked up, driven by strong demand from Asia and the euro area. Higher oil prices and gold imports, coupled with a decline in remittances inflows, are reflected in some deterioration in the current account deficit. However, the deficit remains well below its longer-term average. FDI net inflows have been rising steadily since 2014 and are fully financing the current account deficit. Growth is projected to increase further. Private consumption will remain steady as increases in wages and pensions for central government employees are followed by similar adjustments in the states. The recent increase in capacity utilisation, coupled with the rebound in industrial production for capital goods and manufacturing indices, bodes well for a gradual revival of private investment. The implementation of the GST, by lowering the price of capital goods, and the cut in the corporate income tax rate should also support Investment.

(Source: <http://www.oecd.org/eco/outlook/economic-forecast-summary-india-oecd-economic-outlook-june-2017.pdf>)

## Indian Civil Infrastructure Industry

Civil Infrastructure (construction) is the sixth-largest economic sector in India, accounting for 7.8% of the country's GDP in FY2016, the second-biggest employer (after agriculture), with about 35mn people engaged, and the second-largest recipient of FDI after the services sector. Infrastructure sector is a key driver for the Indian economy. The sector is highly responsible for propelling India's overall development and enjoys intense focus from Government for initiating policies that would ensure time-bound creation of world class infrastructure in the country. Infrastructure sector includes power, bridges, dams, roads and urban infrastructure development. In 2016, India jumped 19 places in World Bank's Logistics Performance Index (LPI) 2016, to rank 35th amongst 160 countries. The construction industry is the second largest industry in India after agriculture. It accounts for about 11% of India as GDP. It makes significant contribution to the national economy and provides employment to large number of people. There are mainly three segments in the construction industry like real estate construction which includes residential and commercial construction; infrastructure building which includes roads, railways, power etc; and industrial construction that consists of oil and gas refineries, pipelines, textiles etc.

Construction is an essential part of any country's infrastructure and industrial development. Construction industry, with its backward and forward linkages with various other industries like cement, steel bricks etc. catalyses employment generation in the country. The construction activity involved in different segments differs from segment to segment. Construction of houses and roads involves about 75% and 60% of civil construction respectively. Building of airports and ports has construction activity in the range of 40-50%. For industrial projects, construction component ranges between 15-20%. Within a particular sector also construction component varies from project to project.

The construction industry in India is highly fragmented. There are number of unorganised players in the industry which work on the subcontracting basis. To execute more critical projects, nowadays bids are increasing placed in consortium. But the profitability of the construction projects varies across different segments. Complex technology savvy projects can fetch higher profit margins for construction companies as compared to low technology projects like road construction. Various projects in Construction industry are working capital intensive. Working capital requirement for any company depends on the order mix of the companies.

## Market Size

Foreign Direct Investment (FDI) received in Construction Development sector (townships, housing, built up infrastructure and construction development projects) from April 2000 to March 2017 stood at US\$ 24.3 billion, according to the Department of Industrial Policy and Promotion (DIPP).

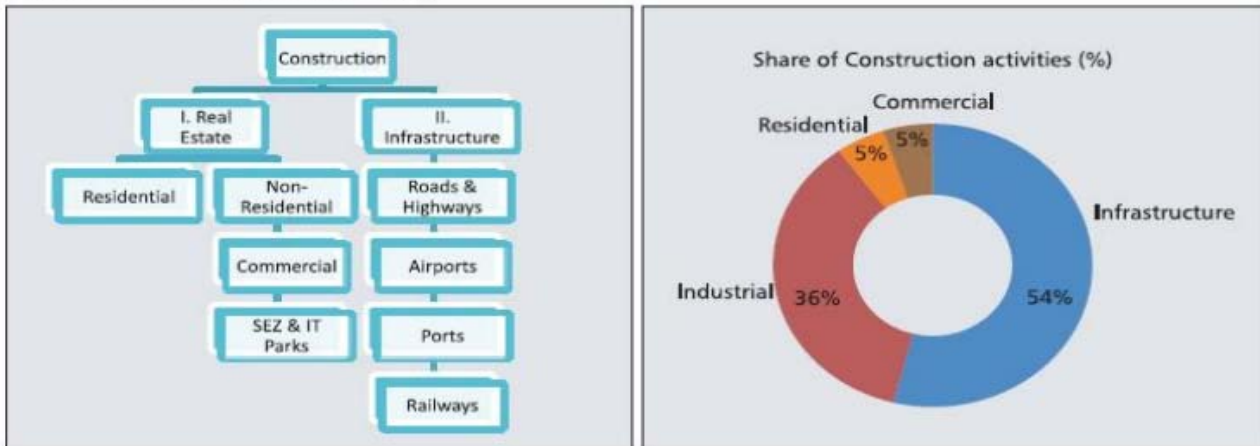
(<https://www.ibef.org/industry/infrastructure-sector-india.aspx> )

## Classification of Construction Industry

Classification of Construction Sector The construction sector comprises real estate and infrastructure segments, out of which infrastructure holds a major share and is a key driver of the overall growth in the construction sector. Residential buildings, townships, commercial complexes, and SEZ/IT parks all come under the real estate segment while heavy projects conducted on a massive scale involving roads, railways, ports, airports, and highways come under the infrastructure domain.



**Structure of the Construction Industry**



Source: Approach Paper to the Twelfth Five Year Plan, Planning Commission      Source: D&B Research

## Indian Railway Infrastructure

Railways are another important sector that contributes for the economy of country. It is vital part of any transport network especially for freight movement. These are much more energy efficient than road transport, with a much smaller carbon footprint. Indian Railways are one of the largest railways network in the world that carry 22 million passengers every day and carry 923 million tonnes of freight a year. The railway network is also idyllic for long-distance travel and movement of bulk commodities, apart from being an energy efficient and economic mode of conveyance and transport. The Government of India has focused on investing on railway infrastructure by making investor-friendly policies. It has moved rapidly to enable foreign direct investment (FDI) in railways to increase infrastructure for freight and high-speed trains. At present, several domestic and foreign companies are also looking to invest in Indian rail projects.

Basic railway infrastructure includes the sub-grade, sub-ballast, ballast, sleepers (also known as crossties), rail, and track fastenings that secure the rail in position relative to the sleepers and to each other. These systems, the foundation for railway infrastructure, should be designed for the proposed purpose of the railway. Railways intended to carry heavy loads and require a solid sub-grade without underlying problems. Railways take advantage of the very low energy required to roll steel wheels over steel rails. But, because there is little friction between steel wheels and steel rail, railways must have low gradients gentle up and down slopes. Railway designers use many systems to minimize vertical grades. Designers use bridges and tunnels to traverse vertically challenging territory, cuts through rolling hills, and fills in low spots, often with material taken from cuts, to keep tracks as level as possible. They add drainage structures such as culverts concrete pipes or box-like structures that conduct water flows under the tracks and common ditches.

Trains are commonly heavy and the same thing that make them energy efficient. Each freight car and passenger carriage has air brakes at each wheel to slow and stop trains, but it still takes a lot of distance to stop a train often a kilometer or more. The higher the speed of the train, and the heavier the train, the longer it takes to bring it to a stop. Likewise, it takes a long time and distance to bring a heavy train out of a passing siding and up to track speed. These factors are considered in determining the value of "T" in the equation above. For single track lines with track speeds around 100 kph, with a modern signal system and using passing sidings (passing sidings can hold a typical train) a single track line can typically handle 30 trains a day at most (assuming half are in each direction). As the number of trains increases, interference between trains increases and delays to all trains on the line tend to get larger as well.

Railway engineers make great efforts to increase capacity, increase the speed of trains (this reduces T in the equation), build more sidings (also tending to reduce T), and modernize signal systems. As the number of train increases further, railways will connect passing sidings to provide piece of double track, permitting trains to pass while still moving and saving on the stopping and starting times. Finally, to create more capacity, the entire line will be double tracked. Capacity can also be an issue with double track lines. Trains can follow each other no closer than the stopping distance for the slowest train. In mixed freight, some trains may be slow either stopping at many small stations or very heavy,

other trains may be fast. High speed differences between trains tend to limit line capacity even on double track, since trains have to switch tracks to get out of each other's way.

Delhi Metro is equipped with the most modern communication and train control system introduced in the country for the first time. It is made according to international standard. Exceptional feature of Delhi Metro is its integration with other modes of public transport and a trendsetter for such systems in other cities of the country and in the South Asian region.

### **Road Ahead**

The Indian Railway network is growing at a healthy rate. In the next five years, the Indian railway market will be the third largest, accounting for 10 per cent of the global market. Indian Railways, which is one of the country's biggest employers, can generate one million jobs, according to Mr. Piyush Goyal, Union Minister for Railways and Coal. In order to develop three new arms of Dedicated Freight Corridor (DFC) in the various regions of the country, Indian government is planning to invest Rs 3,30,000 crores (\$50.98 billion). Also, Indian Railways is planning to invest in order to adopt European Train Control Systems (ETCS) which will help in the development of the infrastructural facilities.

Exchange Rate Used: INR 1 = US\$ 0.015 as of January 04, 2018.

(Source: <https://www.ibef.org/industry/indian-railways.aspx>)

## SUMMARY OF OUR BUSINESS

*This chapter should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the sections titled 'Risk Factors' and 'Financial Statements' and the chapter titled 'Management Discussion and Analysis of Financial Condition and Results of Operations' beginning on page nos. 12, 130 and 154 respectively, of this Prospectus.*

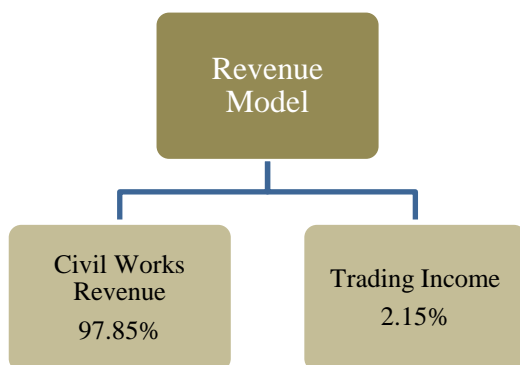
*Unless the context otherwise requires, in relation to business operations, in this chapter of this Prospectus, all references to "we", "us", "our" and "our Company" are to Giriraj Civil Developers Limited and Group Entities, as the case may be.*

### OVERVIEW

Our Company was incorporated on October 19, 2005 as 'Giriraj Civil Developers Private Limited' with an aim to provide infrastructure and construction services. After receiving our certificate of incorporation, we took over the running business of our promoter, 'Giriraj Enterprises', a sole proprietorship on February 20, 2006. For further details please refer to "History and Certain Corporate Matters" beginning on page no. 103 of this Prospectus. On January 22, 2018, we converted our Company into public limited company.

We are a civil works contracting and engineering company. Our current concentration is on the Railway sector projects, where we undertake a wide scope of work which includes construction of foot over bridges, platform extensions; sick line sheds, stabling lines etc. However, we have not limited ourselves to the railways and also venture into other infrastructural projects for government / semi-government bodies like MCGM and MRVC and for various private players. Most of our projects undertaken are in the states of Maharashtra and Gujarat. Our company has successfully completed several projects since inception in 2005 and currently has 21 ongoing projects.

Our Company's revenue model includes projects undertaken as direct Contract from various government, semi-government and private parties, sub-contracting for other infrastructure companies and also trading of certain construction material. Our Company is also engaged in trading activities, wherein we trade construction materials, mainly steel and cement. The below chart explains our revenue model (figures are based on the financial year 2016-17):



Over the years, we have evolved into an organisation with a progressive outlook and a professional approach. We strive to provide innovative, integrated and customised solutions to our clients as per their specific needs. We have positioned ourselves as a professional, reliable and safe service provider in construction and infrastructure service area.

While we execute majority of our projects independently, we have entered into certain project specific Joint Ventures (JV) and consortiums with other infrastructure and construction companies. These JVs are generally entered to fulfill the eligibility requirements of a particular project like requirement of particular experience, financial resources, local presence, etc. Currently, we have entered into joint ventures for our project executions, details of which are mentioned under 'Our Business' chapter on page no. 84 of this Prospectus.

## OUR STRENGTHS

### ***1. Experienced Management Team***

Our senior management team is experienced in the civil works. The Promoter and the senior management team of our Company have significant industry experience and have been instrumental in the consistent growth of our Company's performance. The management team has vast experience and technical know-how to help the development of the company. Our Managing Director and Promoter Mr. Mahesh Shah has been the main guiding force behind the growth and business strategy of our Company. We believe that our management team's experience and their understanding of the construction business will enable us to continue to take advantage of both current and future opportunities. It is also expected to help us on addressing and mitigating various risks inherent in our business, including significant competition. For further details on education, experience and other details of our Management and our Key Managerial Personnel, kindly refer to the Chapter titled "*Our Management*" beginning on page no. 109 of this Prospectus.

### ***2. An established execution track record***

We have gained significant experience and have established track record and reputation for efficient project management, execution and timely completion.. We believe that our expertise in successful and timely implementation of projects provides us with significant competitive advantages. In terms of resources, we have access to large number of construction equipments out of which some are owned and some are on hire. Through which we seek to minimize our operating and asset cost. We believe this is also aided by our skilled employees who have the necessary experience in the use and handling of modern construction equipment and machinery. In terms of raw material, we share a good working condition with all our suppliers to readily avail the raw material. We also have access to contractual labour for our projects.

### ***3. Engineering expertise, access to large fleet of sophisticated equipment and experienced employee base***

Our company is equipped with resources, in terms of technical knowledge, machinery and labour to handle the construction process. Our team consists of several individuals who not only have lots of experience in the construction field but also have the technical knowledge. We have five engineers to help with the technical aspect of the work and thirteen site staff to ensure proper work management. Other than this, we have contractual labourer for the main construction work. AutoCAD engineers also help us with reviewing the designing structure. Other than these we also have a good employee base working at our corporate office for several administration works. Along with a well equipped work force we also have a large fleet of equipments owned by the organisation. We also get certain equipments on hire easily. Due to these factors, it becomes relatively easier for us to streamline the work process.

### ***4. Strong Client Base***

We have developed a strong client base for our services. Due to our vast array of work with the railways and other rail authorities and having completed our projects successfully and on time, we enjoy certain level of an established relationship with them. Our business and growth are significantly depending on our ability to bid for and secure larger projects. Further, we fulfill the criteria for various government and semi government projects as we have completed several governmental projects which shows our ability to meet the standard of requirements. Being a government/ Semi government civil contractor, we are assured of recoverability of our receivables as compared to other companies or service providers.

## OUR STRATEGIES

The key elements of our strategy are as follows:

### ***1. Enhance our system of equipment usage, procurement and manpower.***

Our Company constantly endeavours to improve its productivity levels by optimum resource utilization, improvement in process, skill up-gradation of our workers, modernization of machineries to achieve better asset turnover. We plan to continue to use our wide variety of machinery more efficiently. We try to ensure the continuous availability of the machinery for our on-site activity. Not only machinery but to also make our mechanism of procuring raw materials more efficiently, we try to ensure the raw materials procured by us are at a cost effective price. Also, for labour requirements we try to maintain good relations with suppliers, to ensure constant quality supply of labour.

## ***2. Development of projects through joint development Model***

We utilize an outsourcing model that allows scalability and emphasizes quality construction. Our Management is well assisted by experienced project managers who oversee the functions of contractors. We also have strong and long-standing relationships with various sub contractors. We have entered into six Memorandum of Understanding (MoU's) with various organisations to expand our work. Further details regarding the joint ventures are mentioned in the "History and Certain Corporate Matters" on page no. 103 of this Prospectus.

## ***3. Develop and nurture relationship with our clients and strategic partners.***

Our services are dependent on winning civil projects, based on tenders filled by us for Government and semi-government agencies. We enter into strategic partnerships, in case we do not fulfill the minimum criteria, in order to be eligible for the tender. We, also maintain good relations our clients and suppliers to ensure a good working process. We intend to establish strategic alliances and share risks with companies whose line of business is similar to ours, in order to expand our scope of work.

## ***4. Continue to focus on civil engineering as well as explore other aspects within civil engineering.***

We plan to continue our focus on Civil Engineering to derive profitable growth. Instead of venturing out in various streams, we try to maintain our concentration only in the civil engineering field. We try to expand our work in fields related to civil engineering. The civil engineering opportunities are numerous. Our aim is to be masters in the current stream . Within civil engineering, we plan to expand our scope of work. From mainly working on railway projects, we plan on expanding to other streams as well.

## ***5. Enhancing profitability from reduction of debts***

Our object of the offer is repayment of unsecured loans availed by us. We believe that such repayment/ prepayment will help reduce our outstanding indebtedness and improve our debt-equity ratio. We believe that reducing our indebtedness will result in enhanced equity base, reduce our financial costs, improve our profitability and improve our leverage capacity.



## SUMMARY OF FINANCIAL INFORMATION

### Annexure I STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED

( ₹ in Lakhs)

| Particulars                                  | As at<br>December<br>31, 2017 | As at March 31, |                 |                 |                 |                 |
|--|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
|  |                               | 2017            | 2016            | 2015            | 2014            | 2013            |
| <b>EQUITY AND LIABILITIES</b>                |                               |                 |                 |                 |                 |                 |
| <b>1.Shareholder's fund</b>                  |                               |                 |                 |                 |                 |                 |
| a) Equity Share Capital                      | 294.41                        | 147.21          | 147.21          | 167.71          | 162.06          | 162.06          |
| b)Reserves and surplus                       | 1,603.98                      | 1,616.27        | 1,437.48        | 1,241.49        | 1,010.14        | 813.56          |
| c) Share Application Money Pending Allotment | -                             | -               | -               | -               | -               | -               |
| <b>Total Shareholders Fund (1)</b>           | <b>1,898.39</b>               | <b>1,763.48</b> | <b>1,584.69</b> | <b>1,409.19</b> | <b>1,172.20</b> | <b>975.62</b>   |
| <b>2.Non-current liabilities</b>             |                               |                 |                 |                 |                 |                 |
| a) Long Term Borrowings                      | 240.11                        | 72.59           | 85.77           | -               | -               | -               |
| b) Other non current liabilities             | 72.82                         | 51.46           | 51.82           | 103.39          | 98.32           | 32.28           |
| <b>Total(2)</b>                              | <b>312.94</b>                 | <b>124.05</b>   | <b>137.59</b>   | <b>103.39</b>   | <b>98.32</b>    | <b>32.28</b>    |
| <b>3.Current liabilities</b>                 |                               |                 |                 |                 |                 |                 |
| a) Short-term borrowings                     | 1,338.37                      | 1,345.04        | 1,054.82        | 693.07          | 707.00          | 444.28          |
| b) Trade payables                            | 839.35                        | 2,669.90        | 1,523.48        | 1,380.08        | 1,005.20        | 748.88          |
| c) Other Current Liabilities                 | 304.10                        | 355.02          | 120.68          | 23.14           | 20.30           | 41.13           |
| d) Short-term provisions                     | 159.00                        | 177.20          | 86.84           | 85.54           | 164.64          | 119.74          |
| <b>Total(3)</b>                              | <b>2,640.81</b>               | <b>4,547.16</b> | <b>2,785.82</b> | <b>2,181.83</b> | <b>1,897.13</b> | <b>1,354.02</b> |
| <b>TOTAL(1+2+3)</b>                          | <b>4,852.15</b>               | <b>6,436.20</b> | <b>4,509.10</b> | <b>3,695.16</b> | <b>3,168.17</b> | <b>2,362.18</b> |
| <b>ASSETS</b>                                |                               |                 |                 |                 |                 |                 |
| <b>1.Non - Current Assets</b>                |                               |                 |                 |                 |                 |                 |
| a) Fixed Assets                              |                               |                 |                 |                 |                 |                 |
| i.) Tangible assets                          | 76.56                         | 46.32           | 52.78           | 60.10           | 71.09           | 79.84           |
| ii) Intangible assets                        | -                             | -               | -               | -               | -               | -               |
| b) Non Current Investment                    | 152.92                        | 149.65          | 96.30           | 58.55           | 45.66           | 55.65           |
| c) Long term Loans & Advances                | 458.20                        | 409.85          | 391.77          | 426.76          | 233.06          | 29.01           |
| d) Deferred tax assets (Net)                 | 0.83                          | 0.35            | 0.23            | 0.67            | 0.99            | 1.21            |
| e) Other Non Current Assets                  | 599.52                        | 316.64          | 290.69          | 360.72          | 479.20          | 530.54          |
| <b>Total (1)</b>                             | <b>1,288.03</b>               | <b>922.81</b>   | <b>831.77</b>   | <b>906.79</b>   | <b>830.00</b>   | <b>696.25</b>   |
| <b>2.Current Assets</b>                      |                               |                 |                 |                 |                 |                 |
| a) Inventories                               | 1,424.07                      | 777.05          | 647.39          | 279.12          | 200.70          | 346.30          |
| b) Trade Receivables                         | 1,397.82                      | 3,853.43        | 2,490.16        | 2,071.03        | 1,578.82        | 684.40          |
| c) Cash and Cash equivalents                 | 457.83                        | 421.70          | 241.07          | 214.96          | 363.15          | 550.58          |
| d) Short-term loans and advances             | 27.71                         | 10.87           | 13.44           | 33.33           | 36.12           | 8.34            |
| e) Other current assets                      | 256.68                        | 450.34          | 285.27          | 189.92          | 159.39          | 76.30           |
| <b>Total(2)</b>                              | <b>3,564.11</b>               | <b>5,513.39</b> | <b>3,677.33</b> | <b>2,788.37</b> | <b>2,338.17</b> | <b>1,665.93</b> |
| <b>TOTAL(1+2)</b>                            | <b>4,852.15</b>               | <b>6,436.20</b> | <b>4,509.10</b> | <b>3,695.16</b> | <b>3,168.17</b> | <b>2,362.18</b> |

**Annexure II**  
**STATEMENT OF PROFIT AND LOSS ACCOUNT, AS RESTATED**

( ₹ In Lakhs)

| Particulars  | For the period ended December 31, 2017 | For the year ended March 31, |                 |                 |                 |                 |
|--|--|------------------------------|-----------------|-----------------|-----------------|-----------------|
|  |  | 2017                         | 2016            | 2015            | 2014            | 2013            |
| <b>INCOME:</b>   |  |                              |                 |                 |                 |                 |
| Revenue from Operations(Net)   | 3,354.73                               | 4,483.01                     | 4,795.88        | 4,949.34        | 5,645.72        | 4,159.04        |
| Other Income   | 44.25                                  | 44.01                        | 25.60           | 46.08           | 28.46           | 65.80           |
| <b>Total income</b>  | <b>3,398.98</b>                        | <b>4,527.02</b>              | <b>4,821.48</b> | <b>4,995.42</b> | <b>5,674.18</b> | <b>4,224.83</b> |
| <b>EXPENSES:</b>   |  |                              |                 |                 |                 |                 |
| Cost Of Material Consumed/ Traded  | 2,942.19                               | 3,047.15                     | 4,044.84        | 3,573.90        | 3,429.42        | 2,505.06        |
| Direct Expenses  | 521.51                                 | 1,034.13                     | 570.86          | 1,064.28        | 1,685.91        | 1,261.61        |
| Changes in Inventories   | (602.13)                               | (187.68)                     | (286.88)        | (75.57)         | 94.21           | 87.22           |
| Employee Benefit Expenses  | 86.44                                  | 92.02                        | 45.73           | 44.21           | 46.78           | 45.04           |
| Depreciation & Amortisation cost   | 6.55                                   | 8.53                         | 8.92            | 9.58            | 12.07           | 14.84           |
| Financial Cost   | 207.41                                 | 231.59                       | 156.60          | 91.12           | 87.27           | 72.97           |
| Other Expenses   | 34.57                                  | 31.62                        | 19.14           | 12.56           | 19.52           | 18.46           |
| <b>Total expenses</b>  | <b>3,196.54</b>                        | <b>4,257.35</b>              | <b>4,559.21</b> | <b>4,720.08</b> | <b>5,375.18</b> | <b>4,005.20</b> |
| <b>Exceptional and prior period items</b>  |  |                              |                 |                 |                 |                 |
| <b>Net Profit / (Loss) before Tax</b>  | <b>202.44</b>                          | <b>269.67</b>                | <b>262.28</b>   | <b>275.34</b>   | <b>298.99</b>   | <b>219.674</b>  |
| <b>Less: Tax expense</b>   |  |                              |                 |                 |                 |                 |
| Provision for income tax   | 68.00                                  | 91.00                        | 86.84           | 85.54           | 102.19          | 71.24           |
| Provision for deferred tax asset   | (0.48)                                 | (0.12)                       | 0.44            | 0.32            | 0.22            | (0.63)          |
| <b>Total</b>   | <b>67.52</b>                           | <b>90.88</b>                 | <b>87.28</b>    | <b>85.86</b>    | <b>102.41</b>   | <b>70.61</b>    |
| <b>Net Profit / ( Loss ) for the period after tax but before extra ordinary items</b>                            | <b>134.92</b>                          | <b>178.79</b>                | <b>175.00</b>   | <b>189.48</b>   | <b>196.58</b>   | <b>149.02</b>   |
| Extraordinary Items  |  | -                            | -               | -               | -               | -               |
| <b>Net Profit / ( Loss ) for the period after tax and after extra ordinary items available for appropriation</b> | <b>134.92</b>                          | <b>178.79</b>                | <b>175.00</b>   | <b>189.48</b>   | <b>196.58</b>   | <b>149.02</b>   |
| <b>Less : Proposed Dividend</b>  | <b>-</b>                               | <b>-</b>                     | <b>-</b>        | <b>-</b>        | <b>-</b>        | <b>-</b>        |
| <b>Dividend Distribution Tax</b>   | <b>-</b>                               | <b>-</b>                     | <b>-</b>        | <b>-</b>        | <b>-</b>        | <b>-</b>        |
| <b>Net Profit transferred to Reserves</b>  | <b>134.92</b>                          | <b>178.79</b>                | <b>175.00</b>   | <b>189.48</b>   | <b>196.58</b>   | <b>149.02</b>   |

**Annexure III**  
**CASH FLOW STATEMENT, AS RESTATED**

(₹ in Lakhs)

| Particulars   | For the period ended December 31, 2017 | For the year ended March 31, |                 |                 |                 |                 |
|---|--|------------------------------|-----------------|-----------------|-----------------|-----------------|
|   |  | 2017                         | 2016            | 2015            | 2014            | 2013            |
| <b>Cash Flow From Operating Activities</b>                                  |  |                              |                 |                 |                 |                 |
| <b>Net Profit Before Tax</b>  | <b>202.44</b>                          | <b>269.67</b>                | <b>262.28</b>   | <b>275.36</b>   | <b>298.99</b>   | <b>219.64</b>   |
| Adjustments for :   |  |                              |                 |                 |                 |                 |
| Depreciation/Amortisation   | 6.55                                   | 8.53                         | 8.92            | 9.58            | 12.07           | 14.84           |
| Interest & Financial Charges  | 207.41                                 | 231.59                       | 156.60          | 91.12           | 87.27           | 72.97           |
| Interest Received   | 35.75                                  | 42.66                        | 17.87           | 26.24           | 34.25           | 26.77           |
| Adjustment for Prior Period   | -                                      | -                            | -               | -               | -               | (0.49)          |
| Loss on Sale of Investment  | -                                      | -                            | -               | -               | -               | 1.85            |
| Profit on sale of fixed asset   | -                                      | -                            | 0.97            | 0.22            | -               | -               |
| <b>Operating Profit Before Working Capital Adjustments</b>                  | <b>380.65</b>                          | <b>467.13</b>                | <b>408.95</b>   | <b>349.58</b>   | <b>364.09</b>   | <b>282.03</b>   |
| <b>Adjustment for Changes in Working Capital</b>                            |  |                              |                 |                 |                 |                 |
| Trade Receivables   | 2,455.62                               | (1,363.27)                   | (419.13)        | (492.21)        | (894.42)        | (115.26)        |
| Inventories   | (647.02)                               | (129.66)                     | (368.26)        | (78.43)         | 145.60          | 123.81          |
| Short Term Loans and Advances   | (16.85)                                | 2.58                         | 19.89           | 2.78            | (27.78)         | (0.87)          |
| Other Current Assets  | 193.66                                 | (165.07)                     | (95.35)         | (30.54)         | (83.08)         | 387.96          |
| Trade Payables  | (1,830.55)                             | 1,146.42                     | 143.40          | 374.88          | 256.32          | 120.82          |
| Other Current Liabilities   | (50.93)                                | 234.20                       | 97.54           | 2.84            | (20.83)         | (11.15)         |
| <b>Cash Flow Generated from Operations</b>                                  | <b>484.58</b>                          | <b>192.46</b>                | <b>(212.95)</b> | <b>128.92</b>   | <b>(260.09)</b> | <b>787.33</b>   |
| Direct Tax Paid   | 86.20                                  | 0.64                         | 85.54           | 164.64          | 57.29           | 105.54          |
| <b>Net Cash flow from Operating activities (A)</b>                          | <b>398.38</b>                          | <b>191.82</b>                | <b>(298.49)</b> | <b>(35.72)</b>  | <b>(317.38)</b> | <b>681.79</b>   |
| <b>Cash Flow From Investing Activities</b>                                  |  |                              |                 |                 |                 |                 |
| Purchase of Fixed Assets  | (36.80)                                | (2.07)                       | (1.80)          | -               | (3.32)          | (0.22)          |
| Sale of Fixed Assets  | -                                      | -                            | 1.16            | 1.15            | -               | 3.35            |
| Non-Current Investments   | (3.27)                                 | (53.35)                      | (37.75)         | (12.88)         | 9.99            | (31.35)         |
| Other Non-Current Assets  | (282.87)                               | (25.96)                      | 70.03           | 118.48          | 51.34           | 62.04           |
| Interest Received   | 35.75                                  | 42.66                        | 17.87           | 26.24           | 34.25           | 26.77           |
| Other Non Current Liabilities   | 19.84                                  | 0.16                         | (51.31)         | 5.31            | 66.30           | 32.53           |
| <b>Net Cash Flow from Investing Activities (B)</b>                          | <b>(267.35)</b>                        | <b>(38.56)</b>               | <b>(1.81)</b>   | <b>138.29</b>   | <b>158.55</b>   | <b>93.13</b>    |
| <b>Cash Flow From Financing Activities</b>                                  |  |                              |                 |                 |                 |                 |
| Issue of Share Capital  | -                                      | -                            | 0.50            | 47.98           | -               | -               |
| Increase / (Decrease) in Long Term Borrowing                                | 167.53                                 | (13.18)                      | 85.77           | -               | -               | (11.89)         |
| Increase / (Decrease) in Short Term Borrowing                               | (6.67)                                 | 290.22                       | 361.75          | (13.93)         | 262.72          | (364.09)        |
| Long Term Loans and Advances  | (48.35)                                | (18.08)                      | 34.99           | (193.71)        | (204.05)        | (29.01)         |
| Interest & Financial Charges  | (207.41)                               | (231.59)                     | (156.60)        | (91.12)         | (87.27)         | (72.97)         |
| <b>Net Cash Flow from Financing Activities (C)</b>                          | <b>(94.91)</b>                         | <b>27.37</b>                 | <b>326.41</b>   | <b>(250.77)</b> | <b>(28.60)</b>  | <b>(459.96)</b> |
| <b>Net Increase/ ( Decrease) in Cash and Cash Equivalents ( A + B + C )</b> | <b>36.13</b>                           | <b>180.64</b>                | <b>26.11</b>    | <b>(148.20)</b> | <b>(187.43)</b> | <b>314.96</b>   |
| <b>Cash &amp; Cash equivalent at the beginning of the year</b>              | <b>421.70</b>                          | <b>241.07</b>                | <b>214.96</b>   | <b>363.15</b>   | <b>550.58</b>   | <b>235.61</b>   |
| <b>Cash &amp; Cash Equivalent at the end of the year</b>                    | <b>457.83</b>                          | <b>421.70</b>                | <b>241.07</b>   | <b>214.95</b>   | <b>363.15</b>   | <b>550.57</b>   |

## THE OFFER

### PRESENT OFFER IN TERMS OF THIS PROSPECTUS

|  |  |
|--|--|
| <b>Equity Shares Offered<sup>(1)</sup>:</b><br>Present Offer of Equity Shares by our Company and the Selling Shareholders <sup>(2)</sup> : | 9,00,000 Equity Shares of ₹ 10/- each for cash at a price of ₹ 100 per share aggregating ₹ 900.00 Lakhs. |
|--|--|

#### Consisting of:

|                                     |  |
|-------------------------------------|--|
| <b>Fresh Issue</b>                  | 3,00,000 Equity Shares of ₹ 10/- each for cash at a price of ₹ 100 per share aggregating ₹ 300.00 Lakhs. |
| <b>Offer for Sale<sup>(2)</sup></b> | 6,00,000 Equity Shares of ₹ 10/- each for cash at a price of ₹ 100 per share aggregating ₹ 600.00 Lakhs. |

#### Which Comprises:

|  |  |
|--|--|
| <b>Offer Reserved for the Market Maker</b> | 48,000 Equity Shares of ₹ 10/- each for cash at a price of ₹ 100 per share aggregating ₹ 48.00 Lakhs.  |
| <b>Net Offer to the Public</b>             | 8,52,000 Equity Shares of ₹ 10/- each for cash at a price of ₹ 100 per share aggregating ₹ 852.00 Lakhs.   |
|  | <b>Of which<sup>(3)</sup>:</b>   |
|  | 4,26,000 Equity Shares of ₹ 10/- each at a price of ₹ 100 per Equity Share will be available for allocation for Investors of up to ₹ 2.00 Lakhs. |
|  | 4,26,000 Equity Shares of ₹ 10/- each at a price of ₹ 100 per Equity Share will be available for allocation for Investors of above ₹ 2.00 Lakhs. |

|   |   |
|---|---|
| <b>Equity Shares outstanding prior to the Offer</b> | 29,44,100 Equity Shares   |
| <b>Equity Shares outstanding after the Offer</b>    | 32,44,100 Equity Shares   |
| <b>Objects of the Offer</b>                         | Please see the chapter titled “Objects of the Offer” beginning on page no. 63 of this Prospectus. |

<sup>(1)</sup> This offer is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. For further details, please see the section titled “Offer Related Information” beginning on page no. 189 of this Prospectus.

<sup>(2)</sup> The present offer has been authorized pursuant to a resolution of our Board dated January 23, 2018 and by Special Resolution passed under Section 62(1)(C) of the Companies Act, 2013 at an Extra-Ordinary General Meeting of our shareholders held on February 17, 2018.

The Offer for Sale has been authorised by the Selling Shareholders by their consent letter dated January 23, 2018 is as follows:

| Sr. No.                                   | Name of the Selling Shareholder | No. of Equity Shares Offered |
|---|---------------------------------|------------------------------|
| <b>Promoter Selling Shareholders</b>      |                                 |                              |
| 1   | Mr. Mahesh Shah                 | 2,50,800                     |
| 2   | Mrs. Mamta Shah                 | 99,600                       |
| <b>Promoter Group Selling Shareholder</b> |                                 |                              |
| 3   | Mahesh K. Shah (HUF)            | 2,49,600                     |
|   | <b>Total</b>                    | <b>6,00,000</b>              |

The Selling Shareholders have severally confirmed that the Equity Shares proposed to be offered and sold in the Offer for Sale are eligible in term of SEBI (ICDR) Regulations and that they have not been prohibited from dealings in securities market and the Equity Shares offered and sold are free from any lien, encumbrance or third party rights. The Selling Shareholders have also severally confirmed that they are the legal and beneficial owners of the Equity Shares being offered by them under the Offer for Sale.

<sup>(3)</sup> Allocation to all categories shall be made on a proportionate basis subject to valid Applications received at or above the Offer Price. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from

*any of the other categories or a combination of categories at the discretion of our Company and the Selling Shareholders in consultation with the Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.*



## GENERAL INFORMATION

Our Company was incorporated as “Giriraj Civil Developers Private Limited” on October 19, 2005, under the Companies Act, 1956 with the Registrar of Companies, Mumbai at Maharashtra bearing Registration No. 156879. The status of our Company was changed to a public limited company and the name of our Company was changed to “Giriraj Civil Developers Limited” by a special resolution passed on December 26, 2017. A fresh certificate of incorporation consequent to the change of name was granted to our Company on January 22, 2018, by the Registrar of Companies, Mumbai at Maharashtra. Our Company’s CIN is U45200MH2005PLC156879.

For further details, please refer to the chapter titled “History and Certain Corporate Matters” beginning on page no. 103 of this Prospectus.

### Brief Company and Offer Information

|   |  |
|---|--|
| <b>Registered Office</b>                          | <b>Address:</b> 101 Jaitirth Co-operative Housing Society Daulat Nagar,<br>Road No.10, Borivali (East) Mumbai – 400066<br><b>Tel No:</b> +91 –22– 28906356<br><b>Fax No:</b> Not Available<br><b>Email:</b> <a href="mailto:info@giriraj.biz">info@giriraj.biz</a><br><b>Website:</b> <a href="http://www.giriraj.biz">www.giriraj.biz</a> |
| <b>Date of Incorporation</b>                      | October 19, 2005   |
| <b>Company Registration No.</b>                   | 156879   |
| <b>Company Identification No.</b>                 | U45200MH2005PLC156879  |
| <b>Address of Registrar of Companies / RoC</b>    | Everest, 100, Marine Drive, Mumbai – 400 002.<br><b>Tel No.:</b> +91 –22 – 22817259 / 2281 1493<br><b>Fax No.:</b> +91 – 22 – 2281 2389  |
| <b>Designated Stock Exchange</b>                  | SME Platform of NSE i.e. NSE EMERGE  |
| <b>Chief Financial Officer</b>                    | <b>Mr. Devashis Mondal</b><br><b>Address:</b> 101 Jaitirth Co-operative Housing Society Daulat Nagar,<br>Road No.10, Borivali (East) Mumbai – 400066<br><b>Tel. No.:</b> +91 –22 – 28906356<br><b>Fax No.:</b> Not Available<br><b>Email:</b> <a href="mailto:info@giriraj.biz">info@giriraj.biz</a>                                       |
| <b>Company Secretary &amp; Compliance Officer</b> | <b>Mrs. Manisha Soni</b><br><b>Address:</b> 101 Jaitirth Co-operative Housing Society Daulat Nagar, Road No.10,<br>Borivali (East) Mumbai – 400066<br><b>Tel No:</b> +91 – 22 – 2890 6356<br><b>Fax No:</b> Not Available<br><b>Email:</b> <a href="mailto:info@giriraj.biz">info@giriraj.biz</a>  |

### Board of Directors of our Company

The following table sets forth the Board of Directors of our Company:

| Name                      | Designation                                  | Address   | Director’s Identification No. |
|---------------------------|--|---|-------------------------------|
| Mr. Mahesh Shah           | Chairman and Managing Director               | 401, Jalaram Heights, Ganjawala Lane, Borivali (W)- 400 092                           | 00309932                      |
| Mr. Krushang Shah         | Whole Time Director                          | 401, Jalaram Heights, Ganjawala Lane, Borivali (W)- 400 092                           | 07198525                      |
| Mrs. Mamta Shah           | Non - Executive and Non-Independent Director | 401, Jalaram Heights, Ganjawala Lane, Borivali (W)- 400 092                           | 00309973                      |
| Mr. Perur Seshappa Prasad | Non – Executive and Independent Director     | No.25/26, Situated in 2nd Cross T. P Venugopal Layout, Ganga Nagar, Bengaluru- 560032 | 00206204                      |
| Mr. Francis Joseph Dcosta | Non – Executive and Independent Director     | 179, Bonanza, Near King Rose Bldg Chulna Road, Vasai West Palghar, Thane- 401202      | 08033172                      |

For further details pertaining to the educational qualification and experience of our Directors, please refer to the chapter titled “Our Management” beginning on page no. 109 of this Prospectus.

## Investor Grievances

Investors can contact the Company Secretary and Compliance Officer and / or the Registrar to the Offer in case of any pre or post-Offer related problems, such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary account and unblocking of funds.

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

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

## Selling Shareholders

The details of our Selling Shareholders are set forth below:

| Sr. No.                                   | Name of the Selling Shareholder | No. of Equity Shares Offered |
|---|---------------------------------|------------------------------|
| <b>Promoter Selling Shareholders</b>      |                                 |                              |
| 1   | Mr. Mahesh Shah                 | 2,50,800                     |
| 2   | Mrs. Mamta Shah                 | 99,600                       |
| <b>Promoter Group Selling Shareholder</b> |                                 |                              |
| 3   | Mahesh K. Shah (HUF)            | 2,49,600                     |
|   | <b>Total</b>                    | <b>6,00,000</b>              |

## Details of Key Intermediaries pertaining to this Offer and Our Company

### LEAD MANAGER TO THE OFFER



#### ARYAMAN FINANCIAL SERVICES LIMITED

60, Khatau Building, Gr. Floor,  
Alkesh Dinesh Modi Marg, Opp. P.J. Tower (BSE Bldg.),  
Fort, Mumbai – 400 001, Maharashtra, India  
**Tel. No.:** +91 – 22 – 6216 6999  
**Fax No.:** +91 – 22 – 2263 0434  
**Website:** [www.afsl.co.in](http://www.afsl.co.in)  
**Email:** [ipo@afsl.co.in](mailto:ipo@afsl.co.in)  
**Investor Grievance Email:** [feedback@afsl.co.in](mailto:feedback@afsl.co.in)  
**Contact Person:** Mrs. Jaita Pandey / Mr. Chaitanya Hiregange  
**SEBI Registration No.:** INM000011344

### REGISTRAR TO THE OFFER



#### CAMEO CORPORATE SERVICES LIMITED

Subramanian Building No. 1, Club House Road  
Chennai – 600 002, Tamil Nadu, India  
**Tel. No.:** +91 44 2846 0390/ 1989  
**Fax No.:** +91 44 2846 0129  
**E-mail:** [cameo@cameoindia.com](mailto:cameo@cameoindia.com)  
**Website:** [www.cameoindia.com](http://www.cameoindia.com)  
**Contact Person:** Mr. R. D. Ramasamy  
**SEBI Registration No.:** INR 000003753

*Note: For all Offer related queries and for redressal of complaints, investors may also write to the Registrar to the Offer or the Lead Manager*

## LEGAL COUNSEL TO THE OFFER



### M/S. KANGA & COMPANY (ADVOCATES & SOLICITORS)

Ready money Mansion,  
43, Veer Nariman Road,  
Mumbai – 400 001, Maharashtra, India  
**Tel No.:** +91 – 22 – 6623 0000 / 6633 2288  
**Fax No.:** +91 – 22 – 6633 9656 / 57  
**Contact Person:** Mr. Chetan Thakkar  
**Email:** [chetan.thakkar@kangacompany.com](mailto:chetan.thakkar@kangacompany.com)  
**Website:** [www.kangacompany.com](http://www.kangacompany.com)

## STATUTORY AUDITORS OF OUR COMPANY

### LLB & CO., CHARTERED ACCOUNTANTS

Office No.: 5, Barsana, Salasar Brij Bhoomi,  
Near Maxus Mall, Bhayandar (West),  
Thane - 401 101, Maharashtra, India  
**Tel No.:** +91- 22- 2804 0048  
**Email:** [info@llbco.in](mailto:info@llbco.in)  
**Contact Person:** Mr. Lalit Bajaj  
**Website:** [www.llbco.in](http://www.llbco.in)  
**Firm Registration No.:** 117758W

## BANKERS TO OUR COMPANY



### YES BANK LIMITED

Ground Floor, Shree AmbaShanti Chambers,  
Opposite Hotel Leela, Andheri –Kurla Road,  
Andheri (East), Mumbai-400059  
**Tel No.:** +91 – 22 – 3347 8732  
**Fax No.:** +91 – 22 – 2421 4500  
**Website:** [www.yesbank.in](http://www.yesbank.in)  
**Email:** [communications@yesbank.in](mailto:communications@yesbank.in)  
**Contact Person:** Mr. Abhimanyu Patel

## BANKERS TO THE OFFER



### AXIS BANK LIMITED

Ground Floor, Jeevan Prakash Building,  
Sir P.M. Road, Fort, Mumbai – 400 001.  
**Tel No.:** +91 – 22 – 4086 7371 / 7474  
**Fax No.:** +91 – 22 – 4086 7327 / 7378  
**Website:** [www.axisbank.com](http://www.axisbank.com)  
**Email:** [fort.operationshead@axisbank.com](mailto:fort.operationshead@axisbank.com)  
**Contact Person:** Mr. Anil Kanekar  
**SEBI Registration No.:** INBI00000017

## SELF CERTIFIED SYNDICATE BANKS

The lists of Banks that have been notified by SEBI to act as SCSBs for the ASBA process are provided on <http://www.sebi.gov.in>. For details on designated branches of SCSBs collecting the ASBA Application Forms, please see the above mentioned SEBI link.

## BROKERS TO THIS OFFER

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the website of the NSE Limited, as updated from time to time.

## **REGISTRAR TO OFFER AND SHARE TRANSFER AGENTS**

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

## **COLLECTING DEPOSITORY PARTICIPANTS**

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

## **INTER-SE ALLOCATION OF RESPONSIBILITIES**

Aryaman Financial Services Limited is the Sole Lead Manager to this Offer, and hence is responsible for all the Offer management related activities.

## **MONITORING AGENCY**

As per Regulation 16(1) of the SEBI (ICDR) Regulations, 2009 the requirement of Monitoring Agency is not mandatory if the Fresh Issue size is below ₹ 10,000 Lakhs and hence our Company has not appointed a monitoring agency for this Offer.

Pursuant to Regulation 32(3) of the SEBI (LODR) Regulations, 2015, our Company shall on a half yearly basis disclose to the Audit Committee the uses and application of the Net Proceeds. Until such time as any part of the Net Proceeds remains unutilized, our Company will disclose the utilization of the Net Proceeds under separate heads in our Company's balance sheet(s) clearly specifying the amount of and purpose for which Net Proceeds have been utilized so far, and details of amounts out of the Net Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilized Net Proceeds. In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Net Proceeds in a fiscal, we will utilize such unutilized amount in the next fiscal.

Further, in accordance with Regulation 32(1)(a) of the SEBI (LODR) Regulations, 2015, our Company shall furnish to the Stock Exchanges on a half yearly basis, a statement indicating material deviations, if any, in the utilization of the Net Proceeds for the objects stated in this Prospectus.

## **IPO GRADING**

No credit rating agency registered with SEBI has been appointed for grading the Offer.

## **TRUSTEES**

This being an Offer of Equity Shares, the appointment of trustees is not required.

## **DETAILS OF THE APPRAISING AUTHORITY**

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

## **CREDIT RATING**

This being an Offer of Equity Shares, no credit rating is required.

## **EXPERT OPINION**

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

Our Company has received written consent from our Statutory Auditor namely, LLB & Co., Chartered Accountants to include their name as required under section 26(1)(a)(v) of the Companies Act, 2013 in this Prospectus and as “Expert” as defined under section 2(38) of the Companies Act, 2013 in respect of the reports on the Restated Financial Statements dated February 22, 2018 and in respect of the report on the Statement of Tax Benefits dated February 22, 2018.

The above mentioned reports have been included in this Prospectus and such consent has not been withdrawn as on the date of this Prospectus.

However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

## OFFER PROGRAMME

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

| Event   | Indicative Date |
|---|-----------------|
| Offer Opening Date  | March 19, 2018  |
| Offer Closing Date  | March 21, 2018  |
| Finalisation of Basis of Allotment with the Designated Stock Exchange | March 26, 2018  |
| Initiation of Allotment / Refunds / Unblocking of Funds               | March 27, 2018  |
| Credit of Equity Shares to demat accounts of Allottees                | March 28, 2018  |
| Commencement of trading of the Equity Shares on the Stock Exchange    | April 02, 2018  |

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

Applications and any revision to the same shall be accepted **only between 10.00 a.m. and 5.00 p.m. (IST)** during the Offer Period (except for the Offer Closing Date). On the Offer Closing Date, the Applications and any revision to the same shall be accepted between **10.00 a.m. and 3.00 p.m. (IST)** or such extended time as permitted by the Stock Exchanges, in case of Applications by Retail Individual Applicants after taking into account the total number of applications received up to the closure of timings and reported by the Lead Manager to the Stock Exchanges. It is clarified that Applications not uploaded on the electronic system would be rejected. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the Applications on the Offer Closing Date, the Applicants are advised to submit their Applications one day prior to the Offer Closing Date and, in any case, no later than 3.00 p.m. (IST) on the Offer Closing Date. All times mentioned in this Prospectus are Indian Standard Times. Applicants are cautioned that in the event a large number of Applications are received on the Offer Closing Date, as is typically experienced in public offerings, some Applications may not get uploaded due to lack of sufficient time. Such Applications that cannot be uploaded will not be considered for allocation under the Offer. Applications will be accepted only on Business Days. Neither our Company nor the Lead Manager nor the Selling Shareholders is liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise.

In accordance with the SEBI Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their Applications (in terms of the quantity of the Equity Shares or the Applications Amount) at any stage. Retail Individual Applicants can revise or withdraw their Applications prior to the Offer Closing Date. Except Allocation to Retail Individual Investors, Allocation in the Offer will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or the electronic Application Form, for a particular Applicant, the details as per the file received from the Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Application Form, for a particular ASBA Applicant, the Registrar to the Offer shall ask the relevant SCSB or the member of the Syndicate for rectified data.

## UNDERWRITING

This Offer is 100% Underwritten. Our Company and the Selling Shareholders have entered into an Underwriting Agreement dated February 21, 2018 with the Underwriters for the Equity Shares proposed to be offered through the Offer. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein. The Underwriters have given their consent for inclusion of their name in the Prospectus as Underwriters and have indicated their intention to underwrite the following number of specified securities being offered through this Offer:

| Details of the Underwriter  | No. of Shares Underwritten | Amount Underwritten (₹ in Lakhs) | % of the Total Offer Size Underwritten |
|---|----------------------------|----------------------------------|--|
| <b>Aryaman Financial Services Ltd.</b><br>60, Khatau Building, Gr. Floor, Alkesh Dinesh Modi Marg, Opp. P.J. Tower (BSE Bldg.), Fort, Mumbai – 400 001.<br><b>Tel. No.:</b> +91 – 22 – 6216 6999<br><b>Fax No.:</b> +91 – 22 – 2263 0434<br><b>Email:</b> <a href="mailto:ipo@afsl.co.in">ipo@afsl.co.in</a>      | 8,52,000                   | 852.00                           | 94.67%                                 |
| <b>Aryaman Capital Markets Ltd.</b><br>60, Khatau Building, Gr. Floor, Alkesh Dinesh Modi Marg, Opp. P.J. Tower (BSE Bldg.), Fort, Mumbai – 400 001.<br><b>Tel. No.:</b> +91 – 22 – 6216 6999<br><b>Fax No.:</b> +91 – 22 – 2263 0434<br><b>Email:</b> <a href="mailto:aryacapm@gmail.com">aryacapm@gmail.com</a> | 48,000                     | 48.00                            | 5.33%                                  |
| <b>Total</b>  | <b>9,00,000</b>            | <b>900.00</b>                    | <b>100.00%</b>                         |

As per Regulation 106 P (2) of SEBI (ICDR) Regulations, 2009, the Lead Manager has agreed to underwrite to a minimum extent of 15% of the Offer out of its own account.

In the opinion of the Board of Directors (based on certificate given by the Underwriters), the resources of the above mentioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The above – mentioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as broker with the Stock Exchange.

## WITHDRAWAL OF THE OFFER

Our Company and the Selling Shareholders, in consultation with the Lead Manager, reserves the right not to proceed with the Offer at any time after the Offer Opening Date but before the Board meeting for Allotment. In such an event our Company would issue a public notice in the newspapers, in which the pre-offer advertisements were published, within two days of the Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The Lead Manager, through the Registrar to the Offer, shall notify the SCSBs to unblock the bank accounts of the ASBA Applicants within one day of receipt of such notification. Our Company and the Selling Shareholders shall also promptly inform the Stock Exchange on which the Equity Shares were proposed to be listed.

Notwithstanding the foregoing, the Offer is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment. If our Company and the Selling Shareholders withdraws the Offer after the Offer Closing Date and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Draft Prospectus.

## MARKET MAKER



### ARYAMAN CAPITAL MARKETS LIMITED

60, Khatau Building, Gr. Floor,  
Alkesh Dinesh Modi Marg, Opp. P. J. Tower (BSE Bldg.),  
Fort, Mumbai – 400 001

**Tel. No.:** +91 – 22 – 6216 6999

**Fax No.:** +91 – 22 – 2263 0434

**Email:** [aryacapm@gmail.com](mailto:aryacapm@gmail.com)



**Contact Person:** Mr. Harshad Dhanawade  
**SEBI Registration No.:** INZ000004739  
**Market Maker Reg. No.:** SMMM0651421122012

#### **Details of the Market Making Arrangement for this Offer**

Our Company and the Lead Manager, Aryaman Financial Services Limited have entered into an agreement dated February 21, 2018, with Aryaman Capital Markets Ltd., a Market Maker registered with the EMERGE Platform of NSE in order to fulfill the obligations of Market Making.

The Market Maker shall fulfill the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, and its amendments from time to time and the circulars issued by the NSE and SEBI regarding this matter from time to time.

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

1. The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
2. The minimum depth of the quote shall be ₹ 1,00,000. However, the investors with holdings of value less than ₹ 1,00,000 shall be allowed to issue their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
3. The Inventory Management and Buying/Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and NSE EMERGE Platform from time to time.
4. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
5. There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
6. The shares of the company will be traded in continuous trading session from the time and day the company gets listed on EMERGE Platform of NSE and Market Maker will remain present as per the guidelines mentioned under NSE and SEBI circulars.
7. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems or any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
8. The price band shall be 20% and the Market Maker Spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.
9. The Market Maker shall have the right to terminate said arrangement by giving a three months notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker.

In case of termination of the above mentioned Market Making Agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 106V of the SEBI (ICDR) Regulations, 2009. Further the Company and the Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particulars point of time.

The Market Making Agreement is available for inspection at our Registered Office from 11.00 a.m. to 5.00 p.m. on working days.

10. **Risk containment measures and monitoring for Market Maker:** SME Platform of NSE will have all margins which are applicable on the NSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.
11. **Punitive Action in case of default by**
12. **Market Maker:** SME Platform of NSE will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

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

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

## CAPITAL STRUCTURE

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

( ₹ in Lakhs, except share data)

| Sr. No.  | Particulars   | Aggregate Value at Nominal Value | Aggregate Value at Offer Price |
|----------|---|----------------------------------|--------------------------------|
| <b>A</b> | <b>Authorised Share Capital</b>   |                                  |                                |
|          | 40,00,000 Equity Shares of face value of ₹ 10 each  | 400.00                           | -                              |
| <b>B</b> | <b>Issued, Subscribed and Paid-up Share Capital before the Offer</b>  |                                  |                                |
|          | 29,44,100 Equity Shares of face value of ₹ 10 each  | 294.41                           | -                              |
| <b>C</b> | <b>Present Offer in terms of this Prospectus<sup>(1)</sup></b>  |                                  |                                |
|          | Offer of 9,00,000 Equity Shares of ₹ 10 each at a price of ₹ 100 per equity Share   | 90.00                            | 900.00                         |
|          | <b>Consisting of:</b>   |                                  |                                |
|          | Fresh Issue of 3,00,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 100 per share   | 30.00                            | 300.00                         |
|          | Offer for Sale of 6,00,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 100 per share  | 60.00                            | 600.00                         |
|          | <b>Which comprises of:</b>  |                                  |                                |
|          | 48,000 Equity Shares of ₹ 10 each at a price of ₹ 100 per Equity Share reserved as Market Maker Portion                                       | 4.80                             | 48.00                          |
|          | Net Offer to Public of 8,52,000 Equity Shares of ₹ 10 each at a price of ₹ 100 per Equity Share to the Public                                 | 85.20                            | 852.00                         |
|          | <b>Of which:</b>  |                                  |                                |
|          | 4,26,000 Equity Shares of ₹ 10 each at a price of ₹ 100 per Equity Share will be available for allocation for Investors of up to ₹ 2.00 Lakhs | 42.60                            | 426.00                         |
|          | 4,26,000 Equity Shares of ₹ 10 each at a price of ₹ 100 per Equity Share will be available for allocation for Investors of above ₹ 2.00 Lakhs | 42.60                            | 426.00                         |
| <b>D</b> | <b>Equity Share Capital after the Offer</b>   |                                  |                                |
|          | 32,44,100 Equity Shares of ₹ 10 each  | 324.41                           |                                |
| <b>E</b> | <b>Securities Premium Account</b>   |                                  |                                |
|          | Before the Offer (as on date of this Prospectus)  | 52.16                            |                                |
|          | After the Offer   | 322.16                           |                                |

<sup>(1)</sup> The present Offer has been authorized pursuant to a resolution of our Board dated January 23, 2018 and by Special Resolution passed under Section 62(1)(C) of the Companies Act, 2013 at an Extra-Ordinary General Meeting of our shareholders held on February 17, 2018.

The Offer for Sale has been authorised by the Selling Shareholders by their consent letter dated January 23, 2018. The No. of Equity Shares offered by each Selling Shareholder is as follows:

| Sr. No.                                   | Name of the Selling Shareholder | No. of Equity Shares Offered |
|---|---------------------------------|------------------------------|
| <b>Promoter Selling Shareholder</b>       |                                 |                              |
| 1   | Mr. Mahesh Shah                 | 2,50,800                     |
| 2   | Mrs. Mamta Shah                 | 99,600                       |
| <b>Promoter Group Selling Shareholder</b> |                                 |                              |
| 3   | Mahesh K Shah (HUF)             | 2,49,600                     |
|   | <b>Total</b>                    | <b>6,00,000</b>              |

The Selling Shareholders have severally confirmed that the Equity Shares proposed to be offered and sold in this Offer are eligible in term of SEBI (ICDR) Regulations and that they have not been prohibited from dealings in securities market and the Equity Shares offered and sold are free from any lien, encumbrance or third party rights. The Selling

Shareholders have also severally confirmed that they are the legal and beneficial owners of the Equity Shares being offered by them under the Offer for Sale.

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

### Changes in Authorised Share Capital

Since incorporation, the capital structure of our Company has been altered in the following manner:

1. The initial authorised share capital of ₹ 2,00,000 divided into 20,000 Equity Shares of ₹ 10 each was increased to ₹ 50,00,000 divided into 5,00,000 Equity Shares of ₹ 10 each, pursuant to resolution of shareholders passed at the EGM held on November 21, 2005.
2. The authorised share capital of ₹ 50,00,000 divided into 5,00,000 equity shares of ₹ 10 each was increased to ₹ 2,00,00,000 divided into 20,00,000 equity shares of ₹ 10 each, pursuant to resolution of shareholders passed at the EGM held on July 11, 2006.
3. The authorised share capital of ₹ 2,00,00,000 divided into 20,00,000 equity shares of ₹ 10 each was increased to ₹ 4,00,00,000 divided into 40,00,000 equity shares of ₹ 10 each, pursuant to resolution of shareholders passed at the EGM held on November 24, 2017.

### NOTES TO THE CAPITAL STRUCTURE

#### 1) Share Capital History of our Company:

##### a) Equity Share Capital

Our Company has made allotments of Equity Shares from time to time. The following is the Equity Share Capital Build-up of our Company:

| Date of Allotment of Equity Shares | No. of Equity Shares      | Face Value (₹) | Offer Price (₹) | Nature / Reason of Allotment           | Nature of Consideration | Cumulative No. of Equity Shares | Cumulative Paid Up Share Capital (₹) | Cumulative Share Premium (₹) |
|------------------------------------|---------------------------|----------------|-----------------|--|-------------------------|---------------------------------|--------------------------------------|------------------------------|
| Upon Incorporation                 | 10,000                    | 10.00          | 10.00           | Subscription to MoA                    | Cash                    | 10,000                          | 1,00,000                             | Nil                          |
| December 01, 2005                  | 3,65,000 <sup>(1)</sup>   | 10.00          | -               | Acquisition of business <sup>(1)</sup> | Other Than Cash         | 3,75,000                        | 30,75,000                            | Nil                          |
| December 03, 2005                  | 1,25,000                  | 10.00          | 10.00           | Further Allotment                      | Cash                    | 5,00,000                        | 50,00,000                            | Nil                          |
| September 30, 2006                 | 6,35,000                  | 10.00          | 20.00           | Further Allotment                      | Cash                    | 11,35,000                       | 1,13,50,000                          | 63,50,000                    |
| September 30, 2007                 | 2,60,000                  | 10.00          | 20.00           | Further Allotment                      | Cash                    | 13,95,000                       | 1,39,50,000                          | 89,50,000                    |
| March 31, 2008                     | 600 <sup>(2)</sup>        | 10.00          | 15.00           | Further Allotment                      | Cash                    | 13,95,600                       | 1,39,56,000                          | 89,53,000                    |
| March 31, 2010                     | 3,00,000 <sup>(3)</sup>   | 10.00          | 32.50           | Further Allotment                      | Cash                    | 16,95,600                       | 1,62,06,000                          | 1,57,03,000                  |
| November 26, 2014                  | 56,450 <sup>(4)</sup>     | 10.00          | 85.00           | Right Issue                            | Cash                    | 17,52,050                       | 1,68,20,500                          | 1,99,36,750                  |
| September 07, 2015                 | (2,80,000) <sup>(3)</sup> | 10.00          | -               | Forfeiture of Shares                   | -                       | 14,72,050                       | 1,47,20,500                          | 1,99,36,750                  |
| November 24, 2017                  | 14,72,050 <sup>(5)</sup>  | 10.00          | Nil             | Bonus Issue                            | Other Than Cash         | 29,44,100                       | 2,94,41,000                          | 52,16,250                    |

<sup>(1)</sup>These Equity Shares were issued as a consideration for the acquisition of the business of proprietorship concern of Mr. Mahesh Shah, M/s. Giriraj Enterprises.

<sup>(2)</sup> One of our return of allotment for 600 shares allotted on March 31, 2008 was not duly filed and our company is in process of taking corrective action as well as filing of compounding application for the same.

<sup>(3)</sup> These 3,00,000 shares were originally issued as partly paid up shares; where ₹ 7.50 per share of the face value was paid along with a Share Premium of ₹ 22.50 per share on allotment. Subsequently on the first and final call made on August 03, 2015, the call money on 20,000 shares were paid and the balance 2,80,000 shares were forfeited due to non-payment of the call money.

<sup>(4)</sup> Vide resolution dated November 03, 2014, our Company proposed to issue 1 share for every 25 shares held on a Rights basis at a price of ₹ 85 (face value ₹ 10 including a premium of ₹ 75) to the existing shareholders. Pursuant to the letters of renunciation by the existing shareholders, the Board allotted such rights shares to Mr. Mukesh Shah (5,880 Equity Shares), Mrs. Bharti Shah (29,400 Equity Shares), Mukesh Hansraj (HUF) (11,760 Equity Shares) and Mr. Niraj Shah (9,410 Equity Shares).

<sup>(5)</sup> Pursuant to EGM dated November 24, 2017, Our Company has issued 14,72,050 Bonus Shares in the ratio of 1:1 i.e. 1 share for each share held to the existing shareholders, by way of capitalization of Securities Premium of our Company.

b) Our Company has not issued any Equity Shares for consideration other than cash expect for the Equity Shares as mentioned under:

| Date of Allotment | No. of Equity Shares | FV (₹) | Issue Price (₹) | Nature of Allotment                    | Allotted Person  | Benefits Accrued to the Company   |
|-------------------|----------------------|--------|-----------------|--|--|---|
| December 01, 2005 | 3,65,000             | 10.00  | -               | Acquisition of business <sup>(1)</sup> | Mr. Mahesh Shah  | Acquisition of the proprietorship concern of Mr. Mahesh Shah, M/s. Giriraj Enterprises. |
| December 18, 2017 | 14,72,050            | 10.00  | -               | Bonus Issue                            | Allotted to all the existing Shareholders of our Company as on the date of allotment | Expansion of Capital  |

c) No shares have been allotted in terms of any scheme approved under sections 230-240 of the Companies Act, 2013 and no Equity Shares have been allotted in terms of any scheme approved under sections 391-394 of the Companies Act, 1956.

d) No bonus shares have been issued out of Revaluation Reserves.

e) No shares have been issued at a price lower than the Offer Price within the last one year from the date of the Prospectus expect as mentioned under:

| Date of Allotment | Name of the Allottees   | Number of Shares | Face Value (₹) | Issue Price (₹) | Reasons     |
|-------------------|---|------------------|----------------|-----------------|-------------|
| December 18, 2017 | Allotted to all the Shareholders of our Company as on the date of allotment | 14,72,050        | 10.00          | -               | Bonus Issue |

#### f) Shareholding of our Promoters

Set forth below are the details of the build-up of shareholding of our Promoters:

| Date of Allotment / Transfer | Nature of Transaction | Consideration   | No. of Shares | Face Value (₹) | Issue Price (₹) | Cumulative no. of Shares | % of Pre- Offer Paid Up Capital | % of Post- Offer Paid Up Capital | Lock – in Period       |
|------------------------------|-----------------------|-----------------|---------------|----------------|-----------------|--------------------------|---------------------------------|----------------------------------|------------------------|
| <b>Mr. Mahesh Shah</b>       |                       |                 |               |                |                 |                          |                                 |                                  |                        |
| Upon Incorporation           | Subscription to MoA   | Cash            | 300           | 10.00          | 10.00           | 5000                     | 0.17%                           | -                                | N.A.                   |
|                              |                       |                 | 4,700         |                |                 |                          |                                 |                                  | N.A. <sup>(1)</sup>    |
| December 01, 2005            | Further Allotment     | Other Than Cash | 2,46,100      | 10.00          | Nil             | 3,70,000                 | 12.57%                          | 3.67%                            | N.A. <sup>(1)</sup>    |
|                              |                       |                 | 1,18,900      |                |                 |                          |                                 |                                  | 3 Years <sup>(2)</sup> |
| September 30, 2006           | Further Allotment     | Cash            | 41,500        | 10.00          | 20.00           | 4,11,500                 | 13.98%                          | 4.94%                            | 3 Years <sup>(2)</sup> |
| March 31, 2008               | Transfer              | Cash            | 1,100         | 10.00          | 10.00           | 4,12,600                 | 14.01%                          | 4.98%                            | 3 Years <sup>(2)</sup> |
| September 28, 2009           | Transfer              | Cash            | 2,50,000      | 10.00          | 2.00            | 6,62,600                 | 22.51%                          | 12.68%                           | 3 Years <sup>(2)</sup> |
| October 05, 2015             | Transfer              | Cash            | 1,100         | 10.00          | 100.00          | 6,63,700                 | 22.54%                          | 12.72%                           | 3 Years <sup>(2)</sup> |
| July 15, 2016                | Transfer              | Cash            | (300)         | 10.00          | 60.00           | 6,63,400                 | 22.53%                          | 12.71%                           | N.A.                   |
| April 17, 2017               | Transfer              | Cash            | 300           | 10.00          | 120.00          | 6,63,700                 | 22.54%                          | 12.71%                           | 1 Years <sup>(2)</sup> |
| December 18, 2017            | Bonus Allotment       | Other Than Cash | 1,15,400      | 10.00          | Nil             | 13,27,400                | 45.09%                          | 33.19%                           | 3 Years <sup>(2)</sup> |
|                              |                       |                 | 5,48,300      |                |                 |                          |                                 |                                  | 1 Year                 |
| March 08, 2018               | Transfer*             | Other Than Cash | 400           | 10.00          | Nil             | 13,27,800                | 45.10%                          | 33.20%                           | 1 year                 |

\* These shares have been transferred by Mrs. Lavgaben Shah to Mr. Mahesh Shah via a gift deed dated March 08, 2018.

<sup>(1)</sup> Out of total holding of Mr. Mahesh Shah, shares aggregating to 2,50,800 equity shares are forming part of the Offer for Sale that is being offered through this Prospectus.

<sup>(2)</sup> 5,28,000 Equity Shares of Mr. Mahesh Shah have been earmarked for lock-in for a period of three years and remaining Equity Shares for a period of one year. However, the actual number of shares locked-in is liable to change after finalisation of the lot size, subject to minimum 20% of total lock-in as mandated by Regulation 32 of the SEBI (ICDR) Regulations, 2009 as amended.

| Date of Allotment / Transfer | Nature of Transaction | Consideration | No. of Shares | Face Value (₹) | Issue Price (₹) | Cumulative no. of Shares | % of Pre- Offer Paid Up Capital | % of Post- Offer Paid Up Capital | Lock – in Period    |
|------------------------------|-----------------------|---------------|---------------|----------------|-----------------|--------------------------|---------------------------------|----------------------------------|---------------------|
| <b>Mrs. Mamta Shah</b>       |                       |               |               |                |                 |                          |                                 |                                  |                     |
| Upon Incorporation           | Subscription to MoA   | Cash          | 5,000         | 10.00          | 10.00           | 5000                     | 0.17%                           | -                                | N.A. <sup>(1)</sup> |
| December 03, 2005            | Further Allotment     | Cash          | 41,000        | 10.00          | 10.00           | 46,000                   | 1.56%                           | -                                | N.A. <sup>(1)</sup> |
| March 31, 2008               | Transfer              | Cash          | 53,600        | 10.00          | 5.00            | 1,46,000                 | 4.96%                           | 1.43%                            | N.A. <sup>(1)</sup> |
|                              |                       |               | 46,400        |                |                 |                          |                                 |                                  | 3 Years             |
| December 18, 2017            | Bonus Allotment       | Other Than    | 1,03,600      | 10.00          | Nil             | 2,92,000                 | 9.91%                           | 5.93%                            | 3 Years             |



| Date of Allotment / Transfer | Nature of Transaction | Consideration | No. of Shares | Face Value (₹) | Issue Price (₹) | Cumulative no. of Shares | % of Pre- Offer Paid Up Capital | % of Post- Offer Paid Up Capital | Lock – in Period |
|------------------------------|-----------------------|---------------|---------------|----------------|-----------------|--------------------------|---------------------------------|----------------------------------|------------------|
|                              |                       | Cash          | 42,400        |                |                 |                          |                                 |                                  | 1 Year           |

<sup>(1)</sup> Out of total holding of Mrs. Mamta Shah, shares aggregating to 99,600 equity shares are forming part of the Offer for Sale that is being offered through this Prospectus.

<sup>(2)</sup> 1,50,000 Equity Shares of Mrs. Mamta Shah have been earmarked for lock-in for a period of three years and remaining Equity Shares for a period of one year. However, the actual number of shares locked-in is liable to change after finalisation of the lot size, subject to minimum 20% of total lock-in as mandated by Regulation 32 of the SEBI (ICDR) Regulations, 2009 as amended.

Notes:

- None of the shares belonging to our Promoters has been pledged till date.
  - The entire post offer Promoters' shares shall be subject to lock-in from the date of allotment of the equity shares issued through this Prospectus for periods as per applicable Regulations of the SEBI (ICDR) Regulations. For details, please see Note no. 2 of the "Notes to the Capital Structure" above.
  - Our Promoters have confirmed to the Company and the Lead Manager that the Equity Shares held by our Promoters have been financed from their personal funds and no loans or financial assistance from any bank or financial institution has been availed for this purpose.
  - All the shares held by our Promoters, were fully paid-up on the respective dates of acquisition of such shares.
- g) None of the members of the Promoters, Promoters Group, Directors and their immediate relatives have purchased or sold any Equity shares of our Company within the last six months from the date of this Prospectus except as stated below:

| Date of Transfer | Name of Transferor | Name of Transferee | No. of Shares (F.V. ₹ 10) | Issue / Transfer Price | Nature of Transaction | Nature of Consideration |
|------------------|--------------------|--------------------|---------------------------|------------------------|-----------------------|-------------------------|
| March 08, 2018   | Mrs. Lavgaben Shah | Mr. Mahesh Shah    | 400                       | Nil                    | Transfer              | Other than cash*        |

\* These shares have been transferred by Mrs. Lavgaben Shah to Mr. Mahesh Shah via a gift deed dated March 08, 2018.

- h) None of the members of the Promoter Group, Directors and their immediate relatives have financed the purchase by any other person of Equity shares of our Company other than in the normal course of business of the financing entity within the period of six months immediately preceding the date of the Prospectus.

## 2) Promoters' Contribution and other Lock-In details:

### i. Details of Promoters' Contribution locked-in for 3 years

Pursuant to the Regulation 32(1) and 36(a) of the SEBI (ICDR) Regulations, an aggregate of 20% of the Post-Offer Equity Share Capital held by our Promoter shall be considered as promoters' contribution ("Promoters' Contribution") and locked-in for a period of three years from the date of Allotment. The lock-in of the Promoters' Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

The details of the Promoter's Equity Shares proposed to be locked-in for a period of three years are as follows:

| Name of Promoter | No. of Shares locked in <sup>(1)</sup> | As a % of Post Offer Share Capital |
|------------------|--|------------------------------------|
|------------------|--|------------------------------------|

|                 |                 |               |
|-----------------|-----------------|---------------|
| Mr. Mahesh Shah | 5,28,000        | 16.28%        |
| Mrs. Mamta Shah | 1,50,000        | 4.62%         |
| <b>Total</b>    | <b>6,78,000</b> | <b>20.90%</b> |

<sup>(1)</sup>For details on the date of Allotment of the above Equity Shares, the nature of Allotment, face value and the price at which they were acquired, please refer Note no. 1(f) under “Notes to Capital Structure” above.

We confirm that in compliance with regulation 33 of SEBI ICDR Regulations, the minimum Promoter contribution of 20% as shown above which is subject to lock-in for three years does not consist of:

- Equity Shares acquired during the preceding three years for consideration other than cash and out of revaluation of assets or capitalization of intangible assets or bonus shares out of revaluation reserves or reserves without accrual of cash resources or from bonus issue against equity shares which are ineligible for minimum promoters’ contribution.
- Equity Shares acquired by the Promoter during the preceding one year, at a price lower than the price at which Equity Shares are being offered to public in the Offer, except the bonus shares issued.
- Private placement made by solicitation of subscription from unrelated persons either directly or through any intermediary.
- The Equity Shares held by the Promoter and offered for minimum 20% Promoters’ Contribution are not subject to any pledge.
- Equity Shares for which specific written consent has not been obtained from the shareholders for inclusion of their subscription in the minimum Promoters’ Contribution subject to lock-in.
- Equity shares issued to our Promoters on conversion of Partnership Firms into Limited Companies.

The minimum Promoters’ Contribution has been brought to the extent of not less than the specified minimum lot and from the persons defined as Promoters under the SEBI (ICDR) Regulations, 2009. The Promoters’ Contribution constituting 20% of the post-offer capital shall be locked-in for a period of three years from the date of Allotment of the Equity Shares in the Offer.

**We further confirm that our Promoters’ Contribution of 20% of the Post Offer Equity does not include any contribution from Alternative Investment Funds.**

## **ii. Details of Shares locked-in for one year**

- Pursuant to Regulation 37 of the SEBI (ICDR) Regulations, in addition to the Promoters’ Contribution to be locked-in for a period of 3 years, as specified above, the entire Pre-Offer Equity Share capital will be locked in for a period of one (1) year from the date of Allotment in this Offer, other than the Equity Shares allotted and subscribed pursuant to the Offer for Sale.
- Pursuant to Regulation 39 of the SEBI Regulations, the Equity Shares held by our Promoters can be pledged only with banks or financial institutions as collateral security for loans granted by such banks or financial institutions for the purpose of financing one or more of the objects of the Offer and the pledge of shares is one of the terms of sanction of such loan. However, as on date of this Prospectus, none of the Equity Shares held by our Promoters has been pledged to any person, including banks and financial institutions.
- Pursuant to Regulation 40 of the SEBI (ICDR) Regulations, Equity Shares held by our Promoters, which are locked in as per Regulation 36 of the SEBI (ICDR) Regulations, may be transferred to and amongst our Promoter/ Promoter Group or to a new promoter or persons in control of our Company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as applicable.
- Pursuant to Regulation 40 of the SEBI (ICDR) Regulations, Equity Shares held by shareholders other than our Promoters, which are locked-in as per Regulation 37 of the SEBI (ICDR) Regulations, may be transferred to any other person holding shares, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as applicable.

### 3) Pre-Offer and Post-Offer Shareholding of our Promoter and Promoter' Group

Set forth is the shareholding of our Promoter and Promoter Group before and after the proposed offer:

| Category of Promoters   | Pre Offer        |                | Post Offer       |                |
|---|------------------|----------------|------------------|----------------|
|   | No. of Shares    | %              | No. of Shares    | %              |
| <b>Promoters</b>  |                  |                |                  |                |
| Mr. Mahesh Shah   | 13,27,800        | 45.10%         | 10,77,000        | 33.20%         |
| Mrs. Mamta Shah   | 2,92,000         | 9.91%          | 1,92,400         | 5.93%          |
| <b>Total (A)</b>  | <b>16,19,800</b> | <b>55.01%</b>  | <b>12,69,400</b> | <b>39.14%</b>  |
| <b>Promoter Group (as defined by SEBI (ICDR) Regulations)</b> |                  |                |                  |                |
| Mr. Krushang M. Shah  | 1,33,100         | 4.52%          | 1,33,100         | 4.10%          |
| Mahesh K. Shah (HUF)  | 5,13,400         | 17.44%         | 2,63,800         | 8.13%          |
| Mr. Arvind Shah   | 2,56,000         | 8.70%          | 2,56,000         | 7.89%          |
| Mrs. Reshal Shah  | 10,200           | 0.35%          | 10,200           | 0.31%          |
| <b>Total Promoter Group Holding</b>                           | <b>9,12,700</b>  | <b>31.01%</b>  | <b>6,63,100</b>  | <b>20.43%</b>  |
| <b>Total Promoter &amp; Promoter Group Holding</b>            | <b>25,32,500</b> | <b>86.02%</b>  | <b>19,32,500</b> | <b>59.57%</b>  |
| <b>Total Paid up Capital</b>                                  | <b>29,44,100</b> | <b>100.00%</b> | <b>32,44,100</b> | <b>100.00%</b> |

### 4) Details of Offer for Sale

The following are the details of the Equity Shares being offered as part of the Offer for Sale:

| Sr. No.                                   | Name of Selling Shareholders | Total Number of Equity Shares currently held | Number of Equity Shares offered for the Offer for Sale |
|---|------------------------------|--|--|
| <b>Promoter Selling Shareholders</b>      |                              |  |  |
| 1   | Mr. Mahesh Shah              | 13,27,800                                    | 2,50,800   |
| 2   | Mrs. Mamta Shah              | 2,92,000                                     | 99,600   |
| <b>Promoter Group Selling Shareholder</b> |                              |  |  |
| 3   | Mahesh K. Shah (HUF)         | 5,13,400                                     | 2,49,600   |

#### Details of the share capital held by Mahesh K. Shah (HUF)

| Date of Allotment / Transfer | Nature of Transaction | Consideration   | No. of Shares | Face Value (₹) | Issue Price (₹) | Cumulative no. of Shares |
|------------------------------|-----------------------|-----------------|---------------|----------------|-----------------|--------------------------|
| December 03, 2005            | Allotment             | Cash            | 48,200        | 10.00          | 10.00           | 48,200                   |
| September 30, 2006           | Further Allotment     | Cash            | 8,500         | 10.00          | 20.00           | 56,700                   |
| March 31, 2007               | Transfer              | Cash            | 1,00,000      | 10.00          | 10.00           | 1,56,700                 |
| March 31, 2014               | Transfer              | Cash            | 1,00,000      | 10.00          | 10.00           | 2,56,700                 |
| December 18, 2017            | Bonus Allotment       | Other Than Cash | 2,56,700      | 10.00          | Nil             | 5,13,400                 |

<sup>(1)</sup> Out of total holding of Mahesh K. Shah (HUF), 2,49,600 equity shares are offer as a part of Offer of Sale.

For details regarding the build up of the shares being offered in Offer for sale by our Promoters please refer Note no. 1(f) under "Notes to Capital Structure" above.

The Equity Shares constituting the Offer for Sale have been held by the respective Selling Shareholders for such period as required under Regulation 26(6) of the ICDR Regulations.

### 5) The top ten shareholders of our Company and their Shareholding is as set forth below:

- a) The top ten Shareholders of our Company as on the date of this Prospectus are:

| Sr. No.      | Particulars            | No. of Shares    | % of Pre-Offer Share Capital |
|--------------|------------------------|------------------|------------------------------|
| 1            | Mr. Mahesh K. Shah     | 13,27,800        | 45.10%                       |
| 2            | Mahesh K. Shah (HUF)   | 5,13,400         | 17.44%                       |
| 3            | Mrs. Mamta M. Shah     | 2,92,000         | 9.92%                        |
| 4            | Mr. Arvind Shah        | 2,56,000         | 8.70%                        |
| 5            | Mr. B.U. Choudhary     | 2,40,000         | 8.15%                        |
| 6            | Mr. Narendra Kachhawah | 1,40,200         | 4.76%                        |
| 7            | Mrs. Krushang Shah     | 1,33,100         | 4.52%                        |
| 8            | Mr. Ashok Jain         | 30,000           | 1.02%                        |
| 9            | Mrs. Reshal Shah       | 10,200           | 0.35%                        |
| 10           | Mr. Deepak Trivedi     | 400              | 0.01%                        |
| 11           | Mr. Hitesh Shah        | 400              | 0.01%                        |
| <b>Total</b> |                        | <b>29,43,500</b> | <b>99.98%</b>                |

b) The top ten Shareholders of our Company ten days prior to date of this Prospectus are:

| Sr. No.      | Particulars            | No. of Shares    | % of Pre-Offer Share Capital |
|--------------|------------------------|------------------|------------------------------|
| 1            | Mr. Mahesh K. Shah     | 13,27,400        | 45.09%                       |
| 2            | Mahesh K. Shah HUF     | 5,13,400         | 17.44%                       |
| 3            | Mrs. Mamta M. Shah     | 2,92,000         | 9.92%                        |
| 4            | Mr. Arvind Shah        | 2,56,000         | 8.70%                        |
| 5            | Mr. B.U. Choudhary     | 2,40,000         | 8.15%                        |
| 6            | Mr. Narendra Kachhawah | 1,40,200         | 4.76%                        |
| 7            | Mrs. Krushang Shah     | 1,33,100         | 4.52%                        |
| 8            | Mr. Ashok Jain         | 30,000           | 1.02%                        |
| 9            | Mrs. Reshal Shah       | 10,200           | 0.35%                        |
| 10           | Mrs. Lavgaben Shah     | 400              | 0.01%                        |
| 11           | Mr. Deepak Trivedi     | 400              | 0.01%                        |
| 12           | Mr. Hitesh Shah        | 400              | 0.01%                        |
| <b>Total</b> |                        | <b>29,43,500</b> | <b>99.98%</b>                |

c) The top ten Shareholders of our Company two years prior to date of this Prospectus are:

| Sr. No.      | Particulars              | No. of Shares    | % of Shares then Share Capital |
|--------------|--------------------------|------------------|--------------------------------|
| 1            | Mr. Mahesh Kantilal Shah | 6,63,700         | 45.09%                         |
| 2            | Mahesh Kantilal Shah HUF | 2,56,700         | 17.44%                         |
| 3            | Mrs. Mamta Mahesh Shah   | 1,46,000         | 9.92%                          |
| 4            | Mr. Arvind Shah          | 1,28,000         | 8.70%                          |
| 5            | Mr. B.U. Choudhary       | 1,20,000         | 8.15%                          |
| 6            | Mr. Ashok Shah           | 70,100           | 4.76%                          |
| 7            | Mr. Bharti Shah          | 29,400           | 2.00%                          |
| 8            | Mr. Ashok Jain           | 15,000           | 1.02%                          |
| 9            | Mukesh Hansraj HUF       | 11,760           | 0.80%                          |
| 10           | Mr. Krushang Shah        | 10,100           | 0.69%                          |
| <b>Total</b> |                          | <b>14,50,760</b> | <b>98.55%</b>                  |

- 6) Neither our Company, nor it's Promoters, Directors or the Lead Manager have entered into any buyback and/or standby arrangements for purchase of Equity Shares of our Company from any person.
- 7) None of our Directors or Key Managerial Personnel holds Equity Shares in our Company, except as stated in the chapter titled "*Our Management*" beginning on page no. 109 of this Prospectus.
- 8) Investors may note that in case of over-subscription, in all the categories, the allocation in the Offer shall be as per the requirement of Regulation 43(4) of SEBI (ICDR) Regulations, as amended from time to time. The allotment

will be on proportionate basis as detailed under “*Basis of Allotment*” in the chapter titled “*Offer Procedure*” beginning on page no. 197 of this Prospectus.

- 9) An investor cannot make an application for more than the number of Equity Shares offered in this Offer, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.
- 10) An over-subscription to the extent of 10% of the Fresh Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Offer. Consequently, the actual allotment may go up by a maximum of 10% of the Offer, as a result of which, the post-offer paid up capital after the Offer would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoter and subject to lock- in shall be suitably increased; so as to ensure that 20% of the post Offer paid-up capital is locked in.
- 11) Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines.
- 12) No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoters to the persons who receive allotments, if any, in this Offer.
- 13) As on date of this Prospectus, there are no outstanding financial instruments or any other rights that would entitle the existing Promoter or shareholders or any other person any option to receive Equity Shares after the Offer.
- 14) There shall be only one denomination of Equity Shares of our Company unless otherwise permitted by law. Our Company shall comply with disclosure and accounting norms as may be specified by SEBI from time to time.
- 15) Since the entire application money is being called on application, all successful applications, shall be issued fully paid up shares only. Also, as on the date of this Prospectus the entire pre-offer share capital of our Company has been made fully paid up.
- 16) Except as disclosed in the Prospectus, our Company presently does not have any intention or proposal to alter its capital structure for a period of six months commencing from the date of opening of this Offer, by way of split / consolidation of the denomination of Equity Shares or further issue of Equity Shares or securities convertible into Equity Shares, whether on a preferential basis or issue of bonuses or rights or further public issue of specified securities or Qualified Institutional Placement.
- 17) We have not issued any Equity Shares out of revaluation reserves. We have not issued any Equity Shares for consideration other than cash except as stated in this Prospectus.
- 18) As on date of this Prospectus, there are no outstanding ESOP’s, warrants, options or rights to convert debentures, loans or other instruments convertible into the Equity Shares, nor has the company ever allotted any equity shares pursuant to conversion of ESOP’s till date.
- 19) Our Company shall ensure that transactions in the Equity Shares by our Promoter and our Promoter Group between the date of the Draft Prospectus and the Offer Closing Date shall be reported to the Stock Exchange within 24 hours of such transaction.
- 20) The Lead Manager and its associates do not directly or indirectly hold any shares of our Company.
- 21) Our Company has Fourteen (14) shareholders, as on the date of this Prospectus.
- 22) Our Company has not re-valued its assets since incorporation.
- 23) Our Company has not made any public issue since its incorporation.

## 24) Shareholding Pattern of our Company

The following is the shareholding pattern of our Company as on the date of this Prospectus:-

| Category (I) | Category of Share- holder (II) | No. of Share-holder (III) | No. of fully paid-up equity shares held (IV) | No. of Partly paid-up equity shares held (V) | No. of shares Underlying Depository Receipts (VI) | Total Nos. Shares held (VII) = (IV) + (V) + (VI) | Share holding as a % of total No. of Shares (calculated As per SCRR, 1957)(VIII)As a % of (A+B+C2) | Number of Voting Rights held in each Class of securities (IX) |       |           |                       | No of Underlying Outstanding Convertible securities (incl. Warrants) (X) | Share Holding as a % assuming Full convertible securities (as a % of Diluted Share Capital)(XI)=(VII)+(X) As a % of (A+B+C2) | Number of Locked In shares (XII) |                                 | No. of shares Pledged Or Otherwise encumbered (XIII) |                                  | No. of Equity shares held in De-mat form (XIV) |
|--------------|--------------------------------|---------------------------|--|--|---|--|--|---|-------|-----------|-----------------------|--|--|----------------------------------|---------------------------------|--|----------------------------------|--|
|              |                                |                           |  |  |   |  |  | No of voting Right  |       |           | Total As a %of(A+B+C) |  |  | No (a)                           | As a %of total share s held (b) | No (a)   | As a % of total share s held (b) |  |
|              |                                |                           |  |  |   |  |  | Class-Equity  | Class | Total     |                       |  |  |                                  |                                 |  |                                  |  |
| (A)          | Promoter & Promoter Group      | 6                         | 25,32,500                                    | -  | -   | 25,32,500  | 86.02%   | 25,32,500   | -     | 25,32,500 | 86.02%                | -  | 86.02%   | -                                | -                               | -  | -                                | 0*   |
| (B)          | Public                         | 8                         | 4,11,600                                     | -  | -   | 4,11,600   | 13.98%   | 4,11,600  | -     | 4,11,600  | 13.98%                | -  | 13.98%   | -                                | -                               | -  | -                                | -  |
| (C)          | Non Promoter Non Public        | -                         | -  | -  | -   | -  | -  | -   | -     | -         | -                     | -  | -  | -                                | -                               | -  | -                                | -  |
| (C1)         | Shares Underlying DRs          | -                         | -  | -  | -   | -  | -  | -   | -     | -         | -                     | -  | -  | -                                | -                               | -  | -                                | -  |
| (C2)         | Shares held by Employee Trusts | -                         | -  | -  | -   | -  | -  | -   | -     | -         | -                     | -  | -  | -                                | -                               | -  | -                                | -  |
|              | Total                          | 14                        | 29,44,100                                    | -  | -   | 29,44,100  | 100.00%  | 29,44,100   | -     | 29,44,100 | 100.00%               | -  | 100.00%  | -                                | -                               | -  | -                                | 0  |

\*The shares are in the process of dematerialisation.



**Public Shareholders holding more than 1% of the pre-offer paid-up capital of our Company**

| <b>Sr. No.</b> | <b>Particulars</b>     | <b>No. of Shares</b> | <b>% of Shares Pre-Offer Share Capital</b> |
|----------------|------------------------|----------------------|--|
| 1.             | Mr. B. U. Choudhary    | 2,40,000             | 8.15%                                      |
| 2.             | Mr. Narendra Kachhawah | 1,40,200             | 4.76%                                      |
| 3.             | Mr. Ashok Jain         | 30,000               | 1.02%                                      |

## SECTION IV: PARTICULARS OF THE OFFER

### OBJECTS OF THE OFFER

The Offer comprises a Fresh Issue by our Company and an Offer for Sale by the Selling Shareholders.

#### *The Offer for Sale*

Our Company will not receive any proceeds of the Offer for Sale by the Selling Shareholders.

#### *The Fresh Issue*

The Objects of the Fresh Issue is to raise funds for:

- (a) Repayment of Unsecured Loans; and
- (b) Funding expenditure for General Corporate Purposes.

Further, our Company expects that the listing of the Equity Shares will enhance our visibility and our brand image among our existing and potential customers.

The Main Objects clause as set out in the Memorandum of Association enables our Company to undertake its existing activities and the activities for which funds are being raised by the Company through the Present Offer. Further, we confirm that the activities that we have been conducting until now are in accordance with the objects clause of our Memorandum of Association.

#### **Fresh Issue Proceeds & Net Fresh Issue Proceeds**

The details of the proceeds of the Fresh Issue are set forth in the table below:

( ₹ in Lakhs)

| Sr. No. | Particulars   | Amount |
|---------|---|--------|
| 1       | Gross Proceeds from the Fresh Issue                         | 300.00 |
| 2       | Company's share of Offer related Expenses <sup>(1)(2)</sup> | 15.10  |
|         | Net Proceeds from the Fresh Issue                           | 284.90 |

<sup>(1)</sup> Except for the Listing fees and Market making fees, which will be borne by our Company, all other expenses relating to the Offer as mentioned above will be borne by our Company and the Selling Shareholder in proportion to the Equity Shares contributed / issued in the Offer.

<sup>(2)</sup> The Offer expenses are estimated expenses and subject to change.

#### **Requirement of Funds and Means of Finance**

The fund requirements described below are based on internal management estimates and our Company's current business plan and have not been appraised by any bank, financial institution.

We intend to utilise the Net Proceeds of the Fresh Issue ("Net Proceeds") of ₹ 284.90 Lakhs for financing the objects as set forth below:

( ₹ in Lakhs)

| Sr. No. | Particulars                                | Amount        |
|---------|--|---------------|
| 1       | Repayment Of Unsecured Loans               | 248.04        |
| 2       | Expenditure for General Corporate Purposes | 36.86         |
|         | <b>Total</b>                               | <b>284.90</b> |

The entire fund requirements are to be financed from the Net Fresh Issue Proceeds, and there is no requirement to make firm arrangements of finance under Regulation 4(2)(g) of the SEBI Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the Offer.

In case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in this Offer. If surplus funds are unavailable or in case of cost overruns, we expect that the shortfall will be met from internal accruals and/or entering into funding arrangements as required. Any

variation in the objects of the Offer shall be undertaken in accordance with the terms of the Companies Act and the rules framed there under.

In case of delays in raising funds from the Fresh Issue, our Company may deploy certain amounts towards any of the above mentioned Objects through a combination of Internal Accruals or Unsecured / Bridge Loans and in such case the Funds raised shall be utilized towards repayment of Unsecured Loans or recouping of Internal Accruals. However, we confirm that except as mentioned below no unsecured / bridge financing has been availed as on date for the above mentioned objects, which is subject to being repaid from the Fresh Issue Proceeds.

For further details on the risks involved in our proposed fund utilization as well as executing our business strategies, please see the section titled “*Risk Factors*” beginning on page no. 12 of this Prospectus.

## DETAILS OF THE FUND REQUIREMENTS

### 1. Repayment of Unsecured Loans:

We have from time to time availed Unsecured Loans from various corporate bodies. These were primarily used for business working capital purposes and are repayable on demand. As on December 30, 2017, the amount outstanding from various body corporate was ₹ 691.41 Lakhs. For further details, see – “*Financial Statements*” beginning on page no. 130 of this Prospectus.

As on December 31, 2017 with respect to the loan proposed to be repaid from Net Proceeds of the Offer, our Company had total outstanding unsecured loans amounting to ₹ 691.41 Lakhs as confirmed by the Auditors M M/s. LLB & CO., vide Certificate dated February 22, 2018. Our Company proposes to utilize an amount of ₹ 248.04 Lakhs out of the Net Proceeds towards repayment/ pre-payment in part of certain borrowings/loans listed in the table below. We believe that such repayment/ prepayment will help reduce our outstanding indebtedness and improve our debt-equity ratio. We believe that reducing our indebtedness will result in enhanced equity base, reduce our financial costs, improve our profitability and improve our leverage capacity. Following are the details of the loans we intend to repay from the issue proceeds.

Following are the details of the loans we intend to repay from the issue proceeds:

( ₹ in Lakhs)

| Sr. No. | Particulars                              | Amount (₹ in Lakhs) | Rate of interest |
|---------|--|---------------------|------------------|
| 1       | Deekay Iron and Steel Private Limited    | 68.97               | 9%               |
| 2       | Om Prakash Engineering Private Limited   | 26.53               | 9%               |
| 3       | Shree Durga Iron & Steel Private Limited | 10.61               | 9%               |
| 4       | Starwort Engineers Private Limited       | 58.35               | 9%               |
| 5       | New Manak Metalloys Limited              | 56.52               | 12%              |
| 6       | Opulent Jewels Private Limited           | 27.06               | 12%              |
|         | <b>Total</b>                             | <b>248.04</b>       |                  |

### 2) General Corporate Purposes

We propose to deploy ₹ 36.86 lakhs, aggregating to 12.94% of the Proceeds of the Fresh Issue towards general corporate purposes, including but not restricted to strategic initiatives, partnerships, joint ventures and acquisitions, meeting exigencies which our Company may face in the ordinary course of business, to renovate and refurbish certain of our existing Company owned/leased and operated facilities or premises, towards brand promotion activities or any other purposes as may be approved by our Board.

We confirm that any offer 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 this Prospectus, shall not exceed 25% of the amount raised by our Company through this Offer.

## OFFER RELATED EXPENSES

The total estimated Offer Expenses are ₹ 50.30, which is 5.59% of the total Offer Size. The details of the Offer Expenses are tabulated below:

| Sr. No.      | Particulars  | Amount ( ₹ in Lakhs) | % of Total Expenses | % of Total Issue size |
|--------------|--|----------------------|---------------------|-----------------------|
| 1            | Issue Management fees including fees and reimbursements of Market Making fees (1 <sup>st</sup> year), and payment to other intermediaries such as Legal Advisors, Registrars and other out of pocket expenses. | 36.80                | 73.16%              | 4.09%                 |
| 2            | Brokerage and Selling Commission, Underwriting Commission, RTAs and CDPs <sup>(1)(2)(3)(4)</sup>   | 4.50                 | 8.95%               | 0.50%                 |
| 3            | Advertisement, Printing & Stationery, Marketing Expenses, etc.   | 4.00                 | 7.96%               | 0.44%                 |
| 4            | Listing Fees, Market Regulatory & Other Expenses   | 5.00                 | 9.94%               | 0.56%                 |
| <b>Total</b> |  | <b>50.30</b>         | <b>100.00%</b>      | <b>5.59%</b>          |

<sup>(1)</sup> The SCSBs and other intermediaries will be entitled to a commission of ₹ 10/- per every valid Application Form submitted to them and uploaded on the electronic system of the Stock Exchange by them.

<sup>(2)</sup> The SCSBs would be entitled to processing fees of ₹ 10/- per Application Form, for processing the Application Forms procured by other intermediaries and submitted to the SCSBs.

<sup>(3)</sup> Further the SCSBs and other intermediaries will be entitled to selling commission of 0.05% of the Amount Allotted (product of the number of Equity Shares Allotted and the Offer Price) for the forms directly procured by them and uploaded on the electronic system of the Stock Exchange by them.

<sup>(4)</sup> The payment towards commission and processing fees will be completed within 30 days from the date of receipt of final invoice from the respective entities.

### Appraisal and Bridge Loans

The Objects of the Offer and deployment of Fresh Issue funds have not been appraised by any banks, financial institutions or agency. Further, our Company has not raised any bridge loans from any bank or financial institution as on the date of this Prospectus, which are proposed to be repaid from the Net Fresh Issue Proceeds.

### Year wise Deployment of Funds / Schedule of Implementation

As on the date of this Prospectus, no funds have been deployed on these objects. The entire Fresh Issue size is proposed to be deployed in the Financial Year 2018 – 19.

### Monitoring of Utilization of Funds

There is no requirement for a monitoring agency as the Offer size is less than ₹ 50,000 Lakhs. Pursuant to Regulation 32(3) of the SEBI (LODR) Regulations, 2015, our Company shall on a half yearly basis disclose to the Audit Committee the uses and application of the Net Fresh Issue Proceeds. Until such time as any part of the Net Proceeds remains unutilized, our Company will disclose the utilization of the Net Proceeds under separate heads in our Company's balance sheet(s) clearly specifying the amount of and purpose for which Net Proceeds have been utilized so far, and details of amounts out of the Net Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilized Net Proceeds. In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Net Proceeds in a fiscal, we will utilize such unutilized amount in the next fiscal.

Further, in accordance with Regulation 32(1)(a) of the SEBI (LODR) Regulations, 2015, our Company shall furnish to the Stock Exchanges on a half yearly basis, a statement indicating material deviations, if any, in the utilization of the Net Proceeds for the objects stated in this Prospectus.

### Interim Use of Funds

Pending utilization of the Net Fresh Issue Proceeds for the purposes described above, our Company will deposit the Net Fresh Issue Proceeds with scheduled commercial banks included in schedule II of the RBI Act. Our Company confirms that it shall not use the Net Fresh Issue Proceeds for buying, trading or otherwise dealing in shares of any listed company or for any investment in the equity markets.

### **Variation in Objects**

In accordance with Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Offer 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. The notice in respect of such resolution to Shareholders shall simultaneously be published in the newspapers, one in English and one in Regional language of the jurisdiction where our Registered Office is situated. The Shareholders who do not agree to the above stated proposal, our Promoter or controlling Shareholders will be required to provide an exit opportunity to such dissenting Shareholders, at a price as may be prescribed by SEBI, in this regard.

### **Other Confirmations**

No part of the Net Proceeds will be paid by our Company as consideration to our Promoter, our board of Directors, our Key Management Personnel or Group Companies except in the normal course of business and in compliance with applicable law.

## BASIC TERMS OF THE OFFER

### Terms of the Offer

The Equity Shares being offered are subject to the provisions of the Companies Act, our Memorandum and Articles of Association, the terms of the Draft Prospectus / Prospectus, Application Form, the Confirmation of Allocation Note 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 Offer. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the offer of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Offer and to the extent applicable.

### Authority for the Offer

The present Offer has been authorized pursuant to a resolution of our Board dated January 23, 2018 and by Special Resolution passed under Section 62(1)(C) of the Companies Act, 2013 at an Extra-Ordinary General Meeting of our shareholders held on February 17, 2018.

The Offer for Sale has been authorised by the Selling Shareholders by their consent letter dated January 23, 2018. The number of Equity Shares offered by each Selling Shareholders is as follows:

| Sr. No.                                   | Name of the Selling Shareholder | No. of Equity Shares Offered |
|---|---------------------------------|------------------------------|
| <b>Promoter Selling Shareholders</b>      |                                 |                              |
| 1   | Mr. Mahesh Shah                 | 2,50,800                     |
| 2   | Mrs. Mamta Shah                 | 99,600                       |
| <b>Promoter Group Selling Shareholder</b> |                                 |                              |
| 3   | Mahesh K. Shah (HUF)            | 2,49,600                     |
|   | <b>Total</b>                    | <b>6,00,000</b>              |

The Selling Shareholders have severally confirmed that the Equity Shares proposed to be offered and sold in the Offer are eligible in term of SEBI (ICDR) Regulations and that they have not been prohibited from dealings in securities market and the Equity Shares offered and sold are free from any lien, encumbrance or third party rights. The Selling Shareholders have also severally confirmed that they are the legal and beneficial owners of the Equity Shares being offered by them under the Offer for Sale.

### Other Details

|                                     |  |
|-------------------------------------|--|
| <b>Face Value</b>                   | The Equity Shares to be offered pursuant to this Offer, having a face value of ₹ 10 each are being offered in terms of this Prospectus. Subject to applicable laws, there shall be, at any given point of time, only one denomination of the Equity Shares of our Company.   |
| <b>Offer Price per Share</b>        | The Equity Shares pursuant to this Prospectus are being offered at a price of ₹ 100 each.  |
| <b>Terms of Payment</b>             | Applications should be for a minimum of 1,200 equity shares and 1,200 equity shares thereafter. The entire Offer Price of the equity shares of ₹ 100 per share is payable on application.<br><br>In case of allotment of lesser number of equity shares than the number applied, the excess amount paid on application shall be refunded / unblocked to the applicants.                              |
| <b>Ranking of the Equity Shares</b> | The Equity Shares offered pursuant to this Offer shall be subject to the Memorandum and Articles of Association of the Company and shall rank <i>pari - passu</i> in all respects including dividends with the existing Equity Shares of the Company. The allottees will be entitled to dividend, voting rights or any other corporate benefits, if any, declared by us after the date of Allotment. |
| <b>Market Lot and Trading Lot</b>   | The Market lot and Trading lot for the Equity Share is 1,200 and in multiples of 1,200 thereafter; subject to a minimum allotment of 1,200 Equity Shares to the successful applicants.   |



## **Minimum Subscription**

The requirement for 90% minimum subscription in terms of Regulation 14 of the ICDR Regulations is not applicable to the Offer. In terms of Regulation 106P(1) of the ICDR Regulations, the Offer is not restricted to any minimum subscription level and is 100% underwritten. Further, pursuant to Regulation 106R of the ICDR Regulations, our Company shall ensure that the number of prospective allottees to whom Equity Shares will be allotted shall not be less than 50.

If we do not receive the subscription of 100% of the Offer through this offer document including devolvment of Underwriters within sixty days from the date of closure of the Offer, we shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after we become liable to pay the amount, we shall pay interest prescribed under the applicable provisions of the Companies Act, 2013.

## BASIS FOR OFFER PRICE

The Offer Price has been determined by our Company in consultation with the Lead Manager on the basis of the key business strengths. The face value of the Equity Shares is ₹ 10 and Offer Price is ₹ 100 per Equity Shares and is 10.00 times of the face value. Investors should read the following basis with the sections titled “Risk Factors” and “Financial Information” and the chapter titled “Our Business” beginning on page nos. 12, 130 and 84 respectively, of this Prospectus to get a more informed view before making any investment decisions. The trading price of the Equity Shares of our Company could decline due to these risk factors and you may lose all or part of your investments.

### Qualitative Factors

We believe that the following strengths help differentiate us from our competitors and enable us to compete successfully in our industry:

- ✓ Experienced Management Team
- ✓ An established execution track record
- ✓ Engineering expertise, access to large fleet of sophisticated equipment and experienced employee base.
- ✓ Strong Client Base

For further details regarding some of the qualitative factors, which form the basis for computing the Offer Price, please see “Our Business – Our Strengths” on page no. 84 of this Prospectus.

### Quantitative Factors

Information presented in this chapter is derived from restated financial statements prepared in accordance with Indian GAAP.

#### 1) Earnings per Share (EPS)

| Year ended March 31,    | Basic & Diluted EPS (in ₹) | Weight |
|-------------------------|----------------------------|--------|
| 2017                    | 6.07                       | 3      |
| 2016                    | 5.77                       | 2      |
| 2015                    | 5.71                       | 1      |
| <b>Weighted Average</b> | <b>5.91</b>                |        |

Basic and diluted EPS for the nine months ended December 31, 2017 was ₹ 4.58.

#### Notes:

- a. Basic EPS has been calculated as per the following formula:

$$\text{Basic EPS (M)} = \frac{\text{Net profit / (loss) as restated, attributable to Equity Shareholders}}{\text{Weighted average number of Equity Shares outstanding during the year / period}}$$

- b. Diluted EPS has been calculated as per the following formula:

$$\text{Diluted EPS (M)} = \frac{\text{Net profit / (loss) as restated, attributable to Equity Shareholders}}{\text{Diluted Weighted average number of Equity Shares outstanding during the year / period}}$$

- c. Earnings per share calculations are in accordance with Accounting Standard 20 “Earnings per Share” prescribed by the Companies (Accounting Standard) Rules, 2006
- d. The face value of each Equity Share is ₹ 10.

#### 2) Price Earnings Ratio (P/E) in relation to the Offer price of ₹100 per share of ₹ 10 each

| Particulars  | P/E Ratios |
|--|------------|
| P/E ratio based on basic and diluted EPS as at March 31, 2017                  | 16.47      |
| P/E ratio based on basic and diluted weighted average EPS as at March 31, 2016 | 17.33      |

| Industry P/E*            | P/E Ratios |
|--------------------------|------------|
| Highest –Godrej Propert. | 134.60     |
| Lowest – Ansal buildwell | 4.10       |
| Industry Average         | 35.30      |

\*Source: Capital Market Feb 26 – March 11, 2018; Segment: Construction.

### 3) Return on Net Worth (RoNW)

| Year ended March 31     | RoNW (%)     | Weight |
|-------------------------|--------------|--------|
| 2017                    | 10.14%       | 3      |
| 2016                    | 11.04%       | 2      |
| 2015                    | 13.45%       | 1      |
| <b>Weighted Average</b> | <b>9.26%</b> |        |

RoNW for the nine months period ended December 31, 2017 was 7.14%.

**Note:** Return on Net worth has been calculated as per the following formula:

$$\text{RoNW} = \frac{\text{Net profit /loss after tax, as restated}}{\text{Net worth excluding preference share capital and revaluation reserve}}$$

### 4) Minimum Return on Net Worth (RoNW) after Offer needed to maintain the Pre-Offer Basic & diluted EPS for the FY 2016-17 (based on Restated Financials) at the Offer Price of ₹ 100 is 9.54.

### 5) Net Asset Value (NAV)

| Financial Year              | NAV (in ₹) |
|-----------------------------|------------|
| NAV as at December 31, 2017 | 64.22      |
| NAV as at March 31, 2017    | 119.80     |
| NAV after Offer             | 67.53      |
| Offer Price                 | 100.00     |

**Note:** Net Asset Value has been calculated as per the following formula:

$$\text{NAV} = \frac{\text{Net worth excluding preference share capital and revaluation reserve}}{\text{Outstanding number of Equity shares outstanding during the year / period}}$$

### 6) Comparison with Industry peers

| Particulars               | Face Value (₹) | EPS (₹) | P/E Ratio <sup>(2)</sup> | RONW (%) | NAV (₹) |
|---------------------------|----------------|---------|--------------------------|----------|---------|
| CMM Infraprojects Limited | 10.00          | 21.13   | 4.52                     | 21.18%   | 99.79   |
| Dilip Buildcon Limited    | 10.00          | 27.81   | 35.86                    | 19.48%   | 13.55   |
| KNR Construction Limited  | 2.00           | 11.18   | 29.01                    | 17.62%   | 63.68   |

Source: Company Annual Reports for the F. Y. 2016-17

|   |       |      |       |        |        |
|---|-------|------|-------|--------|--------|
| <b>GIRIRAJ CIVIL DEVELOPERS LIMITED</b> | 10.00 | 6.07 | 16.47 | 10.14% | 119.80 |
|---|-------|------|-------|--------|--------|

Source: Restated Financials as on March 31, 2016

<sup>(1)</sup> All Peer Comparisons are for Financials on Standalone basis

<sup>(2)</sup> Based on closing price of the stock as on 29<sup>th</sup> December, 2017.

### 7) Our Company in consultation with the Lead Manager believes that the offer price of ₹ 100 per share for the Public Offer is justified in view of the above parameters. The investors may also want to peruse the Risk Factors and Financials of the company including important profitability and return ratios, as set out in the Financial Statements included in this Prospectus to have more informed view about the investment proposition. The Face Value of the Equity Shares is ₹ 10 per share and the Offer Price is 10 times of the face value i.e. ₹ 100 per share.

## STATEMENT OF TAX BENEFITS

To,  
The Board of Directors,  
**GIRIRAJ CIVIL DEVELOPERS LIMITED,**  
101, Jaitirth Co-operative Housing Society,  
Daulat Nagar, Road No. 10,  
Borivali (East), Mumbai-400066.

Dear Sirs,

**Sub: Statement of Possible Special Tax Benefits available to Giriraj Civil Developers Limited and its shareholders prepared in accordance with the requirements under Schedule VIII – Clause (VII) (L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended (the ‘Regulations’).**

We hereby report that the enclosed annexure prepared by Giriraj Civil Developers Limited, states the possible special tax benefits available to Giriraj Civil Developers Limited(‘the Company’) and the shareholders of the Company under the Income Tax Act, 1961 (‘Act’), presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the special tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the company may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and do not cover any general tax benefits available to the Company. Further, the preparation of enclosed statement and the contents stated therein is the responsibility of the Company’s management. We are informed that, this Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of equity shares (“the Offer”) by the Company.

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

- a) The Company or its Equity Shareholders will continue to obtain these benefits in future; or
- b) The conditions prescribed for availing the benefits have been / would be met with.

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

Our views are based on facts and assumptions indicated to us and the existing provisions of tax law and its interpretations, which are subject to change or modification from time to time by subsequent legislative, regulatory, administrative, or judicial decisions. Any such changes, which could also be retrospective, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any events subsequent to its Offer, which may have a material effect on the discussions herein.

This report including enclosed annexure are intended solely for your information and for the inclusion in the Draft Prospectus/ Prospectus or any other Offer related material in connection with the proposed initial public offer of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

**FOR M/s.LLB& CO.,**  
**Chartered Accountants**  
Firm Registration No.117758W

**MR. LALIT BAJAJ**  
**Partner**  
Membership No: 104234  
Date: February 22, 2018  
Place: Mumbai

## **ANNEXURE TO THE STATEMENT OF TAX BENEFITS**

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

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

### **A. SPECIAL TAX BENEFITS TO THE COMPANY**

NIL

### **B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER**

NIL

#### **Note:**

1. All the above statements are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.
3. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Offer.
4. 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 V: ABOUT THE COMPANY

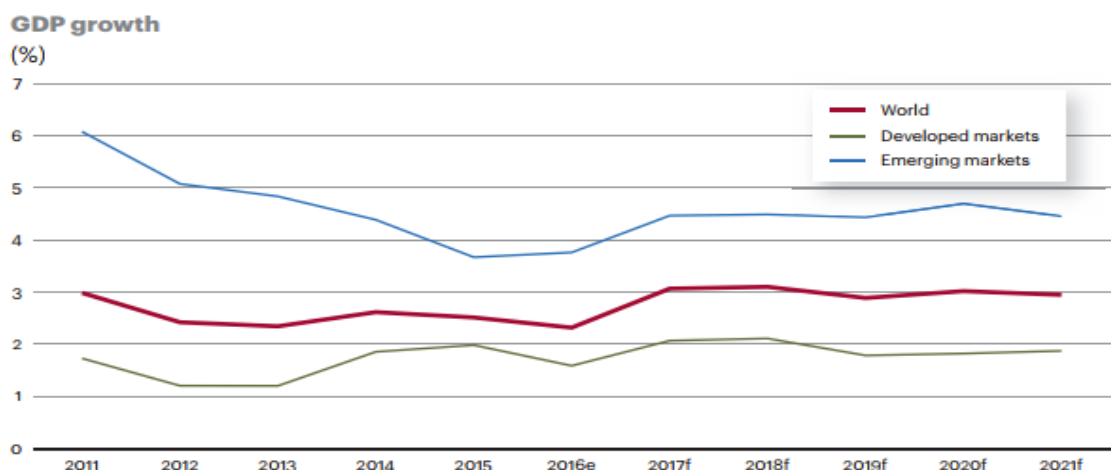
### INDUSTRY OVERVIEW

*The information in this chapter has been extracted from the websites of and publicly available documents from various sources. The data may have been re-classified by us for the purpose of presentation. Neither we nor any other person connected with this Issue has independently verified the information provided in this chapter. Industry sources and publications, referred to in this chapter, generally state that the information contained therein has been obtained from sources generally believed to be reliable but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured, and, accordingly, investment decisions should not be based on such information.*

#### Overview of the global and Indian Economy

The global economy remains sluggish heading into 2017, but the growth outlook is nevertheless somewhat stronger than in recent years. On the positive side, we anticipate a few bright spots in the global economy, such as the US and Indian economies, and the marginal recovery of the Brazilian and Russian economies in 2017. Much of this boost will only be short term, however, so the base case forecast is flat over the next five years, with average annual growth rate of 3% projected through 2021. This very modest recovery will be uneven. South Asia, Sub-Saharan Africa and East Asia will see the highest level of dynamism over the next five years. On the negative side, growth in the developed market regions will continue to be weak, and Latin America will underperform relative to other emerging market regions.

**Figure 1**  
**Global economic growth will strengthen marginally this year**



Notes: GDP is measured at market exchange rates. Developed markets are those that the IMF characterizes as "advanced economies" and emerging markets are those that the IMF characterizes as "emerging market and developing economies."  
 Sources: International Monetary Fund, Oxford Economics, Economist Intelligence Unit; A.T. Kearney analysis

Four economic elements in particular help explain why projected growth is flat: the growing strength of US Dollar, continuation of the global resource slump cycle, the ongoing hiatus in globalisation and sustained weak productivity gains. As important as these and other economic fundamentals are political, policy, regulatory, and geopolitical risks will largely determine economic outcomes. This creates an even more uncertain global operating environment for businesses, as national politics is becoming even more unpredictable in key markets around the world. Five of these political risks in particular represent a substantial drag on the global economic outlook- monetary policy, fiscal policy, regulation of new economy, protectionism, and geopolitical and domestic political shocks.  
[https://www.atkearney.com/web/the-purchasing-chessboard/article/-/asset\\_publisher/9AutfSQfJm6Y/content/global-economic-outlook-2017-2021-the-all-too-visible-hand/236833](https://www.atkearney.com/web/the-purchasing-chessboard/article/-/asset_publisher/9AutfSQfJm6Y/content/global-economic-outlook-2017-2021-the-all-too-visible-hand/236833))



## Indian Economy Overview

Economic growth is projected to remain strong and India will remain the fastest growing G20 economy. The increase in public wages and pensions will support consumption. Private investment will recover gradually as excess capacity diminishes, and the landmark Goods and Services Tax and other measures to improve the ease of doing business are being implemented. However, large non-performing loans and high leverage of some companies are holding back investment. Monetary policy is projected to remain tight as inflation expectations have still not fully adjusted down. The need to reduce the relatively high public-debt-to-GDP ratio leaves little room for fiscal stimulus.

However, investing more in physical and social infrastructure is critical to raising living standards for all. This should be financed by a comprehensive reform of income and property taxes. Restoring credit discipline and cleaning up banks' balance sheets will be instrumental to support the credit growth needed to finance more business investment. Trade openness has increased, partly driven by a competitive service sector. Manufacturing has lagged behind, with limited contribution to exports and job creation, leaving many workers in low-paid jobs. Promoting quality job creation in manufacturing would require reducing further restrictions on FDI and trade, modernising labour regulations and providing better education and skills. Better infrastructure, transport and logistic services would facilitate manufacturing firms' access to global markets, particularly from remote and poorer regions.

### India: Demand, output and prices

|   | 2013                           | 2014   | 2015 | 2016 | 2017 | 2018 |
|---|--------------------------------|--|------|------|------|------|
|   | Current prices<br>INR trillion | Percentage changes, volume<br>(2012/2013 prices) |      |      |      |      |
| <b>GDP at market prices</b>                         | 112.4                          | 7.2  | 7.9  | 7.1  | 7.3  | 7.7  |
| Private consumption                                 | 65.4                           | 6.8  | 7.3  | 7.2  | 7.7  | 8.2  |
| Government consumption                              | 11.6                           | 9.4  | 2.9  | 17.0 | 10.3 | 9.2  |
| Gross fixed capital formation                       | 35.1                           | 4.1  | 6.1  | 0.6  | 4.7  | 5.9  |
| Final domestic demand                               | 112.1                          | 6.2  | 6.5  | 6.3  | 7.2  | 7.7  |
| Stockbuilding <sup>1</sup>                          | 3.7                            | 0.3  | 0.0  | 0.4  | 0.0  | 0.0  |
| Total domestic demand                               | 115.7                          | 6.9  | 7.6  | 6.3  | 6.6  | 7.4  |
| Exports of goods and services                       | 28.6                           | 1.7  | -5.4 | 2.3  | 5.5  | 6.1  |
| Imports of goods and services                       | 31.9                           | 0.8  | -5.9 | -1.2 | 2.0  | 4.9  |
| Net exports <sup>1</sup>                            | -3.4                           | 0.2  | 0.2  | 0.7  | 0.7  | 0.2  |
| <b>Memorandum items</b>                             |                                |  |      |      |      |      |
| GDP deflator  | —                              | 3.2  | 1.9  | 4.1  | 4.3  | 4.3  |
| Consumer price index                                | —                              | 5.9  | 4.9  | 4.5  | 4.8  | 4.6  |
| Wholesale price index (WPI) <sup>2</sup>            | —                              | 2.0  | -2.5 | 3.7  | 4.2  | 4.1  |
| General government financial balance <sup>3,4</sup> | —                              | -6.5   | -7.5 | -7.0 | -6.7 | -6.4 |
| Current account balance <sup>3</sup>                | —                              | -1.3   | -1.1 | -0.7 | -0.9 | -1.2 |

Note: Data refer to fiscal years starting in April.

1. Contributions to changes in real GDP, actual amount in the first column.

2. All commodities index.

3. As a percentage of GDP.

4. Gross fiscal balance for central and state governments.

Source: OECD Economic Outlook 101 database.

Exports have picked up, driven by strong demand from Asia and the euro area. Higher oil prices and gold imports, coupled with a decline in remittances inflows, are reflected in some deterioration in the current account deficit. However, the deficit remains well below its longer-term average. FDI net inflows have been rising steadily since 2014 and are fully financing the current account deficit. Growth is projected to increase further. Private consumption will remain steady as increases in wages and pensions for central government employees are followed by similar adjustments in the states. The recent increase in capacity utilisation, coupled with the rebound in industrial production for capital goods and manufacturing indices, bodes well for a gradual revival of private investment. The implementation of the GST, by lowering the price of capital goods, and the cut in the corporate income tax rate should also support Investment.

(Source: <http://www.oecd.org/eco/outlook/economic-forecast-summary-india-oecd-economic-outlook-june-2017.pdf> )

## Indian Civil Infrastructure Industry

Civil Infrastructure (construction) is the sixth-largest economic sector in India, accounting for 7.8% of the country's GDP in FY2016, the second-biggest employer (after agriculture), with about 35mn people engaged, and the second-largest recipient of FDI after the services sector. Infrastructure sector is a key driver for the Indian economy. The sector is highly responsible for propelling India's overall development and enjoys intense focus from Government for initiating policies that would ensure time-bound creation of world class infrastructure in the country. Infrastructure sector includes power, bridges, dams, roads and urban infrastructure development. In 2016, India jumped 19 places in World Bank's Logistics Performance Index (LPI) 2016, to rank 35th amongst 160 countries. The construction industry is the second largest industry in India after agriculture. It accounts for about 11% of India as GDP. It makes significant contribution to the national economy and provides employment to large number of people. There are mainly three segments in the construction industry like real estate construction which includes residential and commercial construction; infrastructure building which includes roads, railways, power etc; and industrial construction that consists of oil and gas refineries, pipelines, textiles etc.

Construction is an essential part of any country's infrastructure and industrial development. Construction industry, with its backward and forward linkages with various other industries like cement, steel bricks etc. catalyses employment generation in the country. The construction activity involved in different segments differs from segment to segment. Construction of houses and roads involves about 75% and 60% of civil construction respectively. Building of airports and ports has construction activity in the range of 40-50%. For industrial projects, construction component ranges between 15-20%. Within a particular sector also construction component varies from project to project.

The construction industry in India is highly fragmented. There are number of unorganised players in the industry which work on the subcontracting basis. To execute more critical projects, nowadays bids are increasing placed in consortium. But the profitability of the construction projects varies across different segments. Complex technology savvy projects can fetch higher profit margins for construction companies as compared to low technology projects like road construction. Various projects in Construction industry are working capital intensive. Working capital requirement for any company depends on the order mix of the companies.

### Market Size

Foreign Direct Investment (FDI) received in Construction Development sector (townships, housing, built up infrastructure and construction development projects) from April 2000 to March 2017 stood at US\$ 24.3 billion, according to the Department of Industrial Policy and Promotion (DIPP).

(<https://www.ibef.org/industry/infrastructure-sector-india.aspx> )

### Classification of Construction Industry

Classification of Construction Sector The construction sector comprises real estate and infrastructure segments, out of which infrastructure holds a major share and is a key driver of the overall growth in the construction sector. Residential buildings, townships, commercial complexes, and SEZ/IT parks all come under the real estate segment while heavy projects conducted on a massive scale involving roads, railways, ports, airports, and highways come under the infrastructure domain.

### Structure of the Construction Industry



Source: Approach Paper to the Twelfth Five Year Plan, Planning Commission      Source: D&B Research

### Investments

India is witnessing significant interest from international investors in the infrastructure space. Some key investments in the sector are listed below.

- The infrastructure sector in India witnessed 33 deals in FY 2016-17 involving US\$ 3.49 billion as against US\$ 2.98 billion raised across 31 deals in FY 2015-16, with the majority of deals led by the power, roads and renewable sectors, as per investment bank Equirus Capital.
- Meinhardt Group, an engineering company based in Singapore, plans to establish its position in India as it targets the next wave of India's urban development to meet the country's development needs.
- UAE-based firm, DP World, having previously invested US\$ 1 billion in India, is planning to invest another US\$ 1 billion in India's infrastructure sector along with logistics and container terminals, stated Mr Sultan Ahmed bin Sulayem, Chief Executive Officer (CEO), DP World.
- I Squared Capital, a global infrastructure investment company, plans to raise up to US\$ 4 billion through its second infrastructure fund, which will be invested in infrastructure assets in India and across the globe.
- Abertis Infraestructuras SA, a Spanish infrastructure firm, has agreed to buy two toll road assets in operation in South India from Macquarie Group for Rs 1,000 crore (US\$ 151 million) to scale up its presence in India.
- GVK Power & Infrastructure Ltd won the bid to develop Mumbai's second airport in Navi Mumbai for Rs 16,000 crore (US\$ 2.39 billion).
- UAE-based Gamma Group, outlined plans of investing around Rs 3,000 crore (US\$ 453 million) in the infrastructure, health and education sectors of Kerala.
- skyTran Inc., a NASA technology partner specialising in developing pod car systems for urban transport, plans to build a one-kilometre pilot track in India at its own cost as per the requirement of the government, which has shortlisted skyTran as one of the three companies chosen to build pod cars on trial basis.
- Infrastructure Leasing and Financial Services Ltd (IL&FS) and global private equity (PE) firm Lone Star plan to jointly invest US\$ 550 million in stressed infrastructure projects in India.

### Government's stance

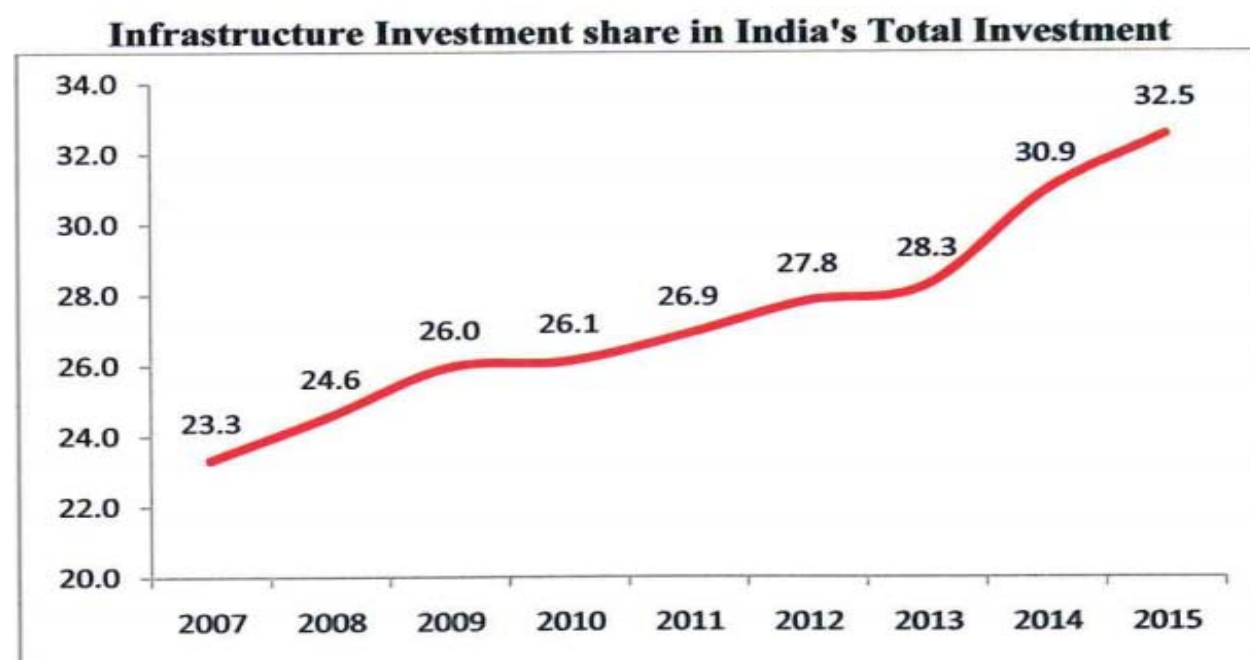
The year 2016 has been transformative and disruptive for the real estate sector. The Union Government has undertaken several policy initiatives to improve transparency and accountability, and improve liquidity in the sector.

- The Real Estate (Regulation & Development) Act, 2016 was passed by the Parliament in March 2016, which was a landmark legislative reform for Indian realty. The act would come into implementation from May 2017. This is expected to weed out corruption from the system
- The Union Government in November 2016 demonetised Indian currency notes of INR500 and INR1,000, with an aim to bring back unaccounted money into the formal economy. This is expected to improve the liquidity of the banking system, thereby allowing banks to increase lending. Also, this move is likely to expand the tax base that may lead to higher tax revenues
- After the Central Government allowed tax pass through status to REITs and InvITs in the previous year's Budget, the Securities and Exchange Board of India (SEBI) has recently (January 2017) allowed mutual funds (MFs) to invest in REITs and InvITs
- The Benami Transactions (Prohibition) Amendment Act, 2016, has been cleared by the Parliament and has come into force from 1 November 2016. The act has provisions that would allow the adjudicating authorities to confiscate benami properties.

(<http://www.indianconstructionindustry.com/overview.html>)

### Infrastructure Construction

The total investment in infrastructure sectors in the Twelfth Plan is estimated to be Rs 55.7 lakh crore, which is roughly one trillion dollars at prevailing exchange rates. The share of private investment in the total investment in infrastructure rose from 22 per cent in the Tenth Plan to 36.1 per cent in the Eleventh Plan. It will have to increase to about 48 per cent during the Twelfth Plan if the infrastructure investment target is to be met. Infrastructure investment needs to be substantially increased to meet the country's social needs and support more rapid economic growth. The following table shows that infrastructure investment's share in India's total investment has been continuously increasing over the years. The share has increased from 23.3 per cent in 2007 to 32.5 percent in 2015.



Source: ASSOCHAM Economic Research Bureau and CMIE

(Investment in India, Assocham, 2016)

Total infrastructure spending is expected to be about 10 per cent of Gross Domestic Product (GDP) during the 12th Five-Year Plan (2012–17), up from 7.6 per cent during the previous plan (2007–12). Increased impetus to develop infrastructure in the country is attracting both domestic and international players. Private sector is emerging as a key player across various infrastructure segments, ranging from roads and communications to power and airports. The investment made by the government for the infrastructure sector can be seen according to the following diagram.

Following several initiatives such as ‘Housing for All’ and ‘Smart Cities,’ the government has been working on reducing the bottlenecks that impede growth in the infrastructure sector. The latest budgetary outlay for infrastructure spending has been increased to Rs. 3.96 lakh crore for various projects including housing, railways, ports and irrigation.

A case in point is roads. In the past few years, road construction has come to a standstill—only about 1,000km of road construction had been awarded in 2013. However, the removal of infrastructure bottlenecks is seeing an increase in road construction now, with contracts being awarded rising to over 4,000km in financial year 2016 and beyond. Also, with just 24% of the National Highway network being four-lane or more, the scope for improvement is immense. Other initiatives such as metro railways are expected to add nearly 500km of railway lines in metro cities and beyond.

But the Indian infrastructure story is not just about road construction. In almost all sectors such as power, railways, metro rail, ports, irrigation, pipelines and so on, the growth potential is immense. Thanks to initiatives such as the Uday scheme, the power sector has been clocking fast growth. Through this scheme, the government has taken steps to improve operational and financial parameters and increase tariff to help distribution companies (discoms) reduce mounting losses and debt. It has thus far laid out a visionary target for India—providing 24x7 powers. For this target, the government plans to spend \$50 billion on transmission infrastructure. It also aims for 1 billion tonne of domestic coal production.

In the past few years, grid construction has improved considerably, thus enabling power to be carried seamlessly even to the remote corners of the country. In fact, India has one of the lowest electricity prices in the world as discoms subsidize tariffs for residential and agriculture use by charging industrial and commercial consumers heavily. ‘Housing for All’ is another initiative that is expected to make significant contribution to boost GDP growth. In terms of budgetary allocation, there has been a 45% rise in allocation with the government targeting 3.3 million houses in FY18-19. Besides, affordable housing has been given infrastructure status, which could reduce borrowing costs for this sector. Additionally, the definition of affordable housing has been changed from built-up to carpet area, which allows an increase in area of approximately 13-17% of such homes.

The other positive for this space has been the increase in interest subsidy, as announced in Budget 2017, which is likely to encourage home loans to the middle class. Further, interest rates have cumulatively seen a 175-basis-point cut over the past 2 years. One basis point is one-hundredth of a percentage point. Lower rates have helped these infrastructure companies to reduce their funding costs notably, and lower break-even levels of some projects. Furthermore, infrastructure companies have been deleveraging, which means much of their balance sheets have been cleaned up and now look healthier and in a much better shape, empowering them to take on new projects.

Infra-support sectors such as cement and capital goods, too, stand a chance to gain as the demand increases. Even though market participants have started to realize the potential held by the infra segment, due to its chequered past of excessive leverage, stalled execution and over-expansion, infrastructure companies fail to command high valuations. Hence, they have a better risk-adjusted-return profile.



## ESTIMATED INVESTMENT DURING 12TH PLAN PERIOD 2012-17

| Sectors                   | Twelfth Plan<br>(Projection) | Twelfth Plan<br>(Revised<br>projection) | Eleventh<br>Plan<br>(Actual) |
|---------------------------|------------------------------|---|------------------------------|
| Electricity               | 15,01,666                    | 10,99,266                               | 6,93,480                     |
| Renewable energy          | 3,18,626                     | 1,68,415                                | 89604                        |
| Roads & bridges           | 9,14,536                     | 7,64,323                                | 4,60,286                     |
| Telecommunications        | 9,43,899                     | 4,53,792                                | 3,79,414                     |
| Railways                  | 5,19,221                     | 3,77,610                                | 1,99,939                     |
| Metro rail projects       | 1,24,158                     | 87605                                   | 43457                        |
| Irrigation                | 5,04,371                     | 3,96,021                                | 2,28,736                     |
| Water supply & sanitation | 2,55,319                     | 1,76,523                                | 1,16,936                     |
| Ports                     | 1,97,781                     | 67016                                   | 48846                        |
| Airports                  | 87714                        | 27832                                   | 35537                        |
| Storage                   | 58441                        | 41769                                   | 21430                        |
| Oil & gas pipeline        | 1,48,933                     | 60608                                   | 60080                        |
| <b>TOTAL</b>              | <b>55,74,663</b>             | <b>37,24,078</b>                        | <b>23,77,746</b>             |

Infrastructure investment as a percentage of gross domestic product (GDP) is now estimated at 5.84 per cent during the Twelfth plan period, much lower than 8.18 per cent as per the initial projections. The revised projection is even lower than the 7.02 per cent actual infrastructure investment done in the Eleventh Five Year plan that ended in 2012. However, investments anticipated in 2015-16 and 2016-17 of Rs 8.92 lakh crore and Rs 10.38 lakh crore, respectively, are significantly higher than previous two years due to a series of steps taken by government to push up investment.

In order to boost the construction of buildings in the country, the Government of India has decided to come up with a single window clearance facility to accord speedy approval of construction projects. Significant allocation to the infrastructure sector in the 12th Five-Year Plan, and investment requirement of US\$ 1 trillion is expected to create huge demand for construction equipment in India. In the road's sector, the government's policy to increase private sector participation has proved to be a boon for the infrastructure industry with a large number of private players entering the business through the public-private partnership (PPP) model. During the next five years, investment through PPP is expected to be US\$ 31 billion. Infrastructure development includes utilities, transport vehicles, telecommunication systems, roads, highways, railways, subways, traffic lights and street lights, dams, walls and culverts, drainage systems, the airports and bus terminals, and bridges.

### Market size

The transport infrastructure sector in India is expected to grow at 6.1 per cent in real terms in 2017 and grow at a Compounded Annual Growth Rate (CAGR) of 5.9 per cent through the year 2021, thereby becoming the fastest-expanding component of the country's infrastructure sector.

### Government Initiatives to develop infrastructure

The Government of India is taking every possible initiative to boost the infrastructure sector. Some of the steps taken in the recent past are being discussed hereafter.

In the Union Budget 2017-18, the Government of India has taken the following measures for the development of infrastructure.

- Increased total infrastructure outlay and defence capital expenditure by 10 per cent and 20.6 per cent to Rs 396,135 crore (US\$ 59.18 billion) and Rs 86,488 crore (US\$ 13.1 billion) respectively, over FY17 revised estimate.
- Railway expenditure allocation has increased by 8 per cent to Rs 131,000 crore (US\$ 19.58 billion) for laying down 3,500 km of railway lines in 2017-18.
- Affordable housing has been given infrastructure status.



- Lock-in period for long-term capital gains on land and buildings has been reduced from three to two years.
- The Government of India launched a City Livability Index on June 23, 2017, which would measure the quality of life in 116 major cities on a set of 79 parameters.
- The Government of India has approved an investment of Rs 67,523 crore (US\$ 10.49 billion) towards urban development in Maharashtra, thereby recording the highest investment outlay towards urban infrastructure in any state in three years.
- The Government of India plans to invest Rs 11,421 crore (US\$ 1.77 billion) to improve basic urban infrastructure in 61 cities and towns of Uttar Pradesh, having population exceeding 100,000 each by 2019-20, under the Atal Mission for Rejuvenation and Urban Transformation (AMRUT) scheme. The government has also approved investments in Tamil Nadu (Rs 11,237 crore or US\$ 1.74 billion), Maharashtra (Rs 6,759 crore or US\$ 1.05 billion), Haryana (Rs 2,544 crore or US\$ 394.32 million), Chhattisgarh (Rs 2,192 crore or US\$ 339.76 million), Manipur (Rs 180 crore or US\$ 27.90 million) and Sikkim (Rs 39 crore or US\$ 6.05 million) by 2019-20, under the same scheme.
- The Cabinet Committee on Economic Affairs (CCEA), Government of India, has approved the project to widen the Handia-Varanasi section of National Highway-2 in Uttar Pradesh, which would require an investment of Rs 2,147 crore (US\$ 333.36 million).
- The Government of India has sought Parliament's approval for an additional expenditure of Rs 59,978.29 crore (US\$ 8.96 billion) for supporting the government's rural jobs scheme, building rural infrastructure, urban development and farm insurance.

Under the current government, an increasing number of projects are being commissioned that target the expansion and improvement of consumer utilities, transportation, and communication needs, showcasing the priority given to the infrastructure sector. Forging relationships with private and foreign investors has additionally introduced long-term sustainability and global best practices in the infrastructure industry. Enabling this further are important government initiatives to ensure policy stability, ease of financing, transparency, and various legal and regulatory reforms. All of this projects a healthy outlook for investing in the sector.

(<https://www.ibef.org/industry/infrastructure-presentation>)

## Indian Railway Infrastructure

Railways are another important sector that contributes for the economy of country. It is vital part of any transport network especially for freight movement. These are much more energy efficient than road transport, with a much smaller carbon footprint. Indian Railways are one of the largest railways network in the world that carry 22 million passengers every day and carry 923 million tonnes of freight a year. The railway network is also idyllic for long-distance travel and movement of bulk commodities, apart from being an energy efficient and economic mode of conveyance and transport. The Government of India has focused on investing on railway infrastructure by making investor-friendly policies. It has moved rapidly to enable foreign direct investment (FDI) in railways to increase infrastructure for freight and high-speed trains. At present, several domestic and foreign companies are also looking to invest in Indian rail projects.

Basic railway infrastructure includes the sub-grade, sub-ballast, ballast, sleepers (also known as crossties), rail, and track fastenings that secure the rail in position relative to the sleepers and to each other. These systems, the foundation for railway infrastructure, should be designed for the proposed purpose of the railway. Railways intended to carry heavy loads and require a solid sub-grade without underlying problems. Railways take advantage of the very low energy required to roll steel wheels over steel rails. But, because there is little friction between steel wheels and steel rail, railways must have low gradients gentle up and down slopes. Railway designers use many systems to minimize vertical grades. Designers use bridges and tunnels to traverse vertically challenging territory, cuts through rolling hills, and fills in low spots, often with material taken from cuts, to keep tracks as level as possible. They add drainage structures such as culverts concrete pipes or box-like structures that conduct water flows under the tracks and common ditches.

Trains are commonly heavy and the same thing that make them energy efficient. Each freight car and passenger carriage has air brakes at each wheel to slow and stop trains, but it still takes a lot of distance to stop a train often a

kilometer or more. The higher the speed of the train, and the heavier the train, the longer it takes to bring it to a stop. Likewise, it takes a long time and distance to bring a heavy train out of a passing siding and up to track speed. These factors are considered in determining the value of “T” in the equation above. For single track lines with track speeds around 100 kph, with a modern signal system and using passing sidings (passing sidings can hold a typical train) a single track line can typically handle 30 trains a day at most (assuming half are in each direction). As the number of trains increases, interference between trains increases and delays to all trains on the line tend to get larger as well.

Railway engineers make great efforts to increase capacity, increase the speed of trains (this reduces T in the equation), build more sidings (also tending to reduce T), and modernize signal systems. As the number of train increases further, railways will connect passing sidings to provide piece of double track, permitting trains to pass while still moving and saving on the stopping and starting times. Finally, to create more capacity, the entire line will be double tracked. Capacity can also be an issue with double track lines. Trains can follow each other no closer than the stopping distance for the slowest train. In mixed freight, some trains may be slow either stopping at many small stations or very heavy, other trains may be fast. High speed differences between trains tend to limit line capacity even on double track, since trains have to switch tracks to get out of each other's way.

Delhi Metro is equipped with the most modern communication and train control system introduced in the country for the first time. It is made according to international standard. Exceptional feature of Delhi Metro is its integration with other modes of public transport and a trendsetter for such systems in other cities of the country and in the South Asian region.

#### **Problems in railway infrastructure:**

1. The quality of service provided leaves scope for substantial improvement in many areas.
2. The average speed of trains is much lower than in other comparable countries.
3. Railway safety is also an issue.
4. The entire system is in urgent need of modernisation.
5. The Rolling stock must be modernised and new.
6. Higher capacity locomotives inducted.
7. Average speeds must be significantly increased.

To summarize, India is ranked as fourth largest economy in the world. Nonetheless, India has the lack of adequate infrastructure. Physical infrastructure has immense impact on overall development of an economy. While strategies to quicken economic growth did anticipate the need for faster development of infrastructure as well. Several sectors such as electricity, railways, roads, ports, airports, irrigation, and urban and rural water supply and sanitation, continue to experience the pressure of rising demand for services even as they suffer from a considerable initial shortfall. Indian Railways is considered as second largest rail network around the globe under a single management, has been contributing to the development of the country's industrial and economic land over a century. Of the two main segments of the Indian Railways, freight and passenger, the freight segment accounts for roughly two-thirds of revenues. Within the freight segment, bulk traffic accounts for nearly 95 percent, of which more than 44 percent is coal. Improved resource management, inter alia, through increased wagon load, faster turnaround time and a more rational pricing policy has led to an improvement in the performance of the railways.

(Source: <https://www.civilserviceindia.com/subject/General-Studies/notes/infrastructure.html>)

The infrastructure sector has become a focus area of the Government of India. Under Union Budget 2017-18, US\$ 61.92 billion was allocated to the sector.

Increased impetus to develop infrastructure in the country is attracting both domestic and international players. Private sector is emerging as a key player across various infrastructure segments, ranging from roads and communications to power and airports. In order to boost the construction of buildings in the country, the Government of India has decided to come up with a single window clearance facility to accord speedy approval of construction projects.

Significant allocation to the infrastructure sector in the 12th Five-Year Plan, and investment requirement of US\$ 1 trillion is expected to create huge demand for construction equipment in India. The country needs around 55 new airports by 2030 with an investment of US\$ 36-45 billion. In the road's sector, the government's policy to increase private sector participation has proved to be a boon for the infrastructure industry with a large number of private players entering the business through the public-private partnership (PPP) model. During the next five years,

investment through PPP is expected to be US\$ 31 billion. India has a requirement of investment worth Rs 50 trillion (US\$ 777.73 billion) in infrastructure by 2022 to have sustainable development in the country.

Sectors like power transmission, roads & highways and renewable energy will drive the investments in the coming years. In October 2017, road projects worth Rs 6.92 trillion (US\$ 107.64 billion) were approved to build an 83,677 km road network in the country. In August 2017, a new Metro Rail Policy was announced to boost private investment in the sector. In January 2018, the National Investment and Infrastructure Fund (NIIF) partnered with UAE-based DP World to create a platform that mobilise investments worth US\$ 3 billion into ports, terminals, transportation, and logistics businesses in India. The Government is also working on improving energy infrastructure in the country and investment opportunities worth US\$ 300 billion will be available in the sector in the coming 10 years.

(Source: <https://www.ibef.org/industry/infrastructure-presentation>)

The Indian Railways is among the world's largest rail networks. The Indian Railways network is spread over 115,000 km, with 12,617 passenger trains and 7,421 freight trains each day from 7,172 stations plying 23 million travellers and 3 million tonnes (MT) of freight daily. India's railway network is recognised as one of the largest railway systems in the world under single management.

The railway network is also ideal for long-distance travel and movement of bulk commodities, apart from being an energy efficient and economic mode of conveyance and transport. The Government of India has focused on investing on railway infrastructure by making investor-friendly policies. It has moved quickly to enable Foreign Direct Investment (FDI) in railways to improve infrastructure for freight and high-speed trains. At present, several domestic and foreign companies are also looking to invest in Indian rail projects.

## Market Size

During April-November 2017, the passenger traffic of Indian Railways grew 0.68 per cent to 5,543.15 million. The overall revenue of Indian Railways grew 5.68 per cent year-on-year to Rs 109,209.15 crore (US\$ 16.87 billion) during April-November 2017. The passenger earnings grew 5.24 per cent to Rs 32,370.54 crore (US\$ 5 billion) and the freight earnings grew 8.01 per cent to Rs 71,168.67 crore (US\$ 10.99 billion) during the same period.

## Investments/ Developments

Foreign Direct Investment (FDI) inflows into Railways related components from April 2000 to September 2017 were US\$ 896.99 million.

Following are some of the major investments and developments in India's railways sector:

- A plan for redevelopment of Surat's railway station will soon be announced requiring a total expenditure of Rs 4,650 crore (US\$ 715.12 million).
- The Indian Railways is planning to invest around Rs 3,000 crore (US\$ 461.08 million) to convert 40 out of its 100 yards into smart yards and end manual inspections.

## Government initiatives

Few recent initiatives taken up by the Government are:

- The Ministry of Railways, Government of India, has launched the Smart Freight Operation Optimisation & Real Time Information (SFOORTI) application to optimise freight operations and manage traffic flows.
- A 'New Online Vendor Registration System' has been launched by the Research Designs & Standards Organisation (RDSO), which is the research arm of Indian Railways, in order to have digital and transparent systems and procedures.
- Indian Railways is planning to standardise the number of coaches in trains to 22 or less which will lead to running of more trains, according to Mr. Piyush Goyal, Minister of Railways.
- Indian Railways is targeting to increase its freight traffic to 3 billion tonnes by 2030 and have a 50 per cent share in overall goods movement.
- The Ministry of Railways is set to overhaul the US\$ 15.61 billion station redevelopment plan to increase the lease period for developers to 99 years, which is expected to give the real estate sector a boost.
- India's first National Rail and Transportation University which will be set up in Vadodara has been approved by the Union Cabinet, Government of India, to skill Indian railways' human resources and build capacity.

- The Government of India has signed an agreement with the Government of Japan under which Japan will help India in the implementation of the Mumbai-Ahmedabad high speed rail corridor along with a financial assistance that would cover 81 per cent of the total project cost.
- To enhance transparency in the processing and settlement of bills, Indian Railways has come up with a new bill tracking system for contractors/vendors of Indian Railways to track status of their bills.
- The cumulative savings of Indian Railways due to procurement of power under open access arrangements reached Rs 5,636 crore (US\$ 869.8 million) during April 2015 - October 2017 and are estimated to reach Rs 41,000 crore (US\$ 6.3 billion) by 2025.
- The Indian Railways has planned to phase out diesel locomotives over the next five years and replace them with electric ones, which will help them save about Rs 11,500 crore (US\$ 1.78 billion) yearly, stated Mr. Piyush Goyal, Minister of Railways, Government of India.
- With the aim of boosting connectivity between India and Bangladesh, Mr Narendra Modi, Prime Minister of India, and Ms Sheikh Hasina, Prime Minister of Bangladesh, launched various connectivity projects including a new passenger train service between Kolkata and Khulna.
- To boost the industrial infrastructure of Chhattisgarh, the state government, in a joint venture with Indian Railways, has decided to build two fully electrified rail corridors worth Rs 10,000 crore (US\$ 1.54 billion).
- Indian Railways has put forward a global tender for obtaining 700,000 metric tonnes of railway track for improving track safety, as per Mr. Piyush Goyal, Minister of Railways and Coal, Government of India.

### Road Ahead

The Indian Railway network is growing at a healthy rate. In the next five years, the Indian railway market will be the third largest, accounting for 10 per cent of the global market. Indian Railways, which is one of the country's biggest employers, can generate one million jobs, according to Mr. Piyush Goyal, Union Minister for Railways and Coal.

In order to develop three new arms of Dedicated Freight Corridor (DFC) in the various regions of the country, Indian government is planning to invest Rs 3,30,000 crores (\$50.98 billion). Also, Indian Railways is planning to invest in order to adopt European Train Control Systems (ETCS) which will help in the development of the infrastructural facilities.

Exchange Rate Used: INR 1 = US\$ 0.015 as of January 04, 2018.

(Source: <https://www.ibef.org/industry/indian-railways.aspx>)

## OUR BUSINESS

*This chapter should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the sections titled 'Risk Factors' and 'Financial Information' and the chapter titled 'Management Discussion and Analysis of Financial Condition and Results of Operations' beginning on page nos. 12, 130 and 154 respectively, of this Prospectus.*

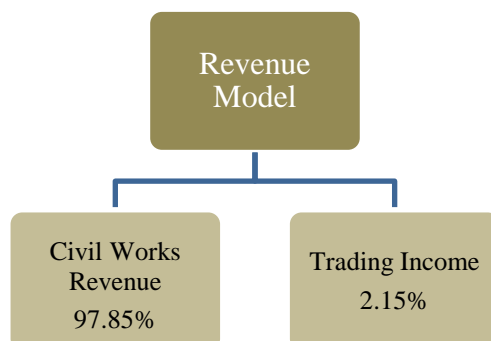
*Unless the context otherwise requires, in relation to business operations, in this chapter of this Prospectus, all references to "we", "us", "our" and "our Company" are to Giriraj Civil Developers Limited and Group Entities, as the case may be.*

### OVERVIEW

Our company was incorporated on October 19, 2005 as 'Giriraj Civil Developers Private Limited' with an aim to provide infrastructure and construction services. After receiving our certificate of incorporation, we took over the running business of our promoter, 'Giriraj Enterprises', a sole proprietorship on February 20, 2006. For further details please refer to "History and Certain Corporate Matters" beginning on page no. 103 of this Prospectus. On January 22, 2018, we converted our company into public limited company.

We are a civil works contracting and engineering company. Our current concentration is on the Railway sector projects, where we undertake a wide scope of work which includes construction of foot over bridges, platform extensions; sick line sheds, stabling lines etc. However, we have not limited ourselves to the railways and also venture into other infrastructural projects for government / semi-government bodies like MCGM and MRVC and for various private players. Most of our projects undertaken are in the states of Maharashtra and Gujarat. Our company has successfully completed several projects since inception in 2005 and currently has 21 ongoing projects.

Our Company's revenue model includes projects undertaken as direct Contract from various government, semi-government and private parties, sub-contracting for other infrastructure companies and also trading of certain construction material. Our Company is also engaged in trading activities, wherein we trade construction materials, mainly steel and cement. The below chart explains our revenue model (figures are based on the financial year 2016-17):



Over the years, we have evolved into an organisation with a progressive outlook and a professional approach. We strive to provide innovative, integrated and customised solutions to our clients as per their specific needs. We have positioned ourselves as a professional, reliable and safe service provider in construction and infrastructure service area.

While we execute majority of our projects independently, we have entered into certain project specific Joint Ventures (JV) and consortiums with other infrastructure and construction companies. These JVs are generally entered to fulfil the eligibility requirements of a particular project like requirement of particular experience, financial resources, local presence, etc. Currently, we have entered into joint ventures for our project executions, details of which are mentioned under 'Our Business' chapter on page no. 84 of this Prospectus.

### OUR STRENGTHS

#### 1. Experienced Management Team

Our senior management team is experienced in the civil works. The Promoter and the senior management team of our Company have significant industry experience and have been instrumental in the consistent growth of our Company's performance. The management team has vast experience and technical know-how to help the development of the

company. Our Managing Director and Promoter Mr. Mahesh Shah has been the main guiding force behind the growth and business strategy of our Company. We believe that our management team's experience and their understanding of the construction business will enable us to continue to take advantage of both current and future opportunities. It is also expected to help us on addressing and mitigating various risks inherent in our business, including significant competition. For further details on education, experience and other details of our Management and our Key Managerial Personnel, kindly refer to the Chapter titled “*Our Management*” beginning on page no. 109 of this Prospectus.

## **2. *An established execution track record***

We have gained significant experience and have established track record and reputation for efficient project management, execution and timely completion.. We believe that our expertise in successful and timely implementation of projects provides us with significant competitive advantages. In terms of resources, we have access to large number of construction equipments out of which some are owned and some are on hire. Through which we seek to minimize our operating and asset cost. We believe this is also aided by our skilled employees who have the necessary experience in the use and handling of modern construction equipment and machinery. In terms of raw material, we share a good working condition with all our suppliers to readily avail the raw material. We also have access to contractual labour for our projects.

## **3. *Engineering expertise, access to large fleet of sophisticated equipment and experienced employee base***

Our company is equipped with resources, in terms of technical knowledge, machinery and labour to handle the construction process. Our team consists of several individuals who not only have lots of experience in the construction field but also have the technical knowledge. We have five engineers to help with the technical aspect of the work and thirteen site staff to ensure proper work management. Other than this, we have contractual labourer for the main construction work. AutoCAD engineers also help us with reviewing the designing structure. Other than these we also have a good employee base working at our corporate office for several administration works. Along with a well equipped work force we also have a large fleet of equipments owned by the organisation. We also get certain equipments on hire easily. Due to these factors, it becomes relatively easier for us to streamline the work process.

## **4. *Strong Client Base***

We have developed a strong client base for our services. Due to our vast array of work with the railways and other rail authorities and having completed our projects successfully and on time, we enjoy certain level of an established relationship with them. Our business and growth are significantly depending on our ability to bid for and secure larger projects. Further, we fulfil the criteria for various government and semi government projects as we have completed several governmental projects which shows our ability to meet the standard of requirements. Being a government/ Semi government civil contractor, we are assured of recoverability of our receivables as compared to other companies or service providers.

## **OUR STRATEGIES**

The key elements of our strategy are as follows:

### **1. *Enhance our system of equipment usage, procurement and manpower.***

Our Company constantly endeavours to improve its productivity levels by optimum resource utilization, improvement in process, skill up-gradation of our workers, modernization of machineries to achieve better asset turnover. We plan to continue to use our wide variety of machinery more efficiently. We try to ensure the continuous availability of the machinery for our on-site activity. Not only machinery but to also make our mechanism of procuring raw materials more efficiently, we try to ensure the raw materials procured by us are at a cost effective price. Also, for labour requirements we try to maintain good relations with suppliers, to ensure constant quality supply of labour.

### **2. *Development of projects through joint development Model***

We utilize an outsourcing model that allows scalability and emphasizes quality construction. Our Management is well assisted by experienced project managers who oversee the functions of contractors. We also have strong and long-standing relationships with various sub contractors. We have entered into six Memorandum of Understanding (MoU's) with various organizations to expand our work. Further details regarding the joint ventures are mentioned in the “*History and Certain Corporate Matters*” on page no. 103 of this Prospectus.



### **3. *Develop and nurture relationship with our clients and strategic partners.***

Our services are dependent on winning civil projects, based on tenders filled by us for Government and semi-government agencies. We enter into strategic partnerships, in case we do not fulfill the minimum criteria, in order to be eligible for the tender. We, also maintain good relations our clients and suppliers to ensure a good working process. We intend to establish strategic alliances and share risks with companies whose line of business is similar to ours, in order to expand our scope of work.

### **4. *Continue to focus on civil engineering as well as explore other aspects within civil engineering.***

We plan to continue our focus on Civil Engineering to derive profitable growth. Instead of venturing out in various streams, we try to maintain our concentration only in the civil engineering field. We try to expand our work in fields related to civil engineering. The civil engineering opportunities are numerous. Our aim is to be masters in the current stream . Within civil engineering, we plan to expand our scope of work. From mainly working on railway projects, we plan on expanding to other streams as well.

### **5. *Enhancing profitability from reduction of debts***

Our object of the offer is repayment of unsecured loans availed by us. We believe that such repayment/ prepayment will help reduce our outstanding indebtedness and improve our debt-equity ratio. We believe that reducing our indebtedness will result in enhanced equity base, reduce our financial costs, improve our profitability and improve our leverage capacity.

## **DETAILS OF OUR BUSINESS**

### **LOCATION**

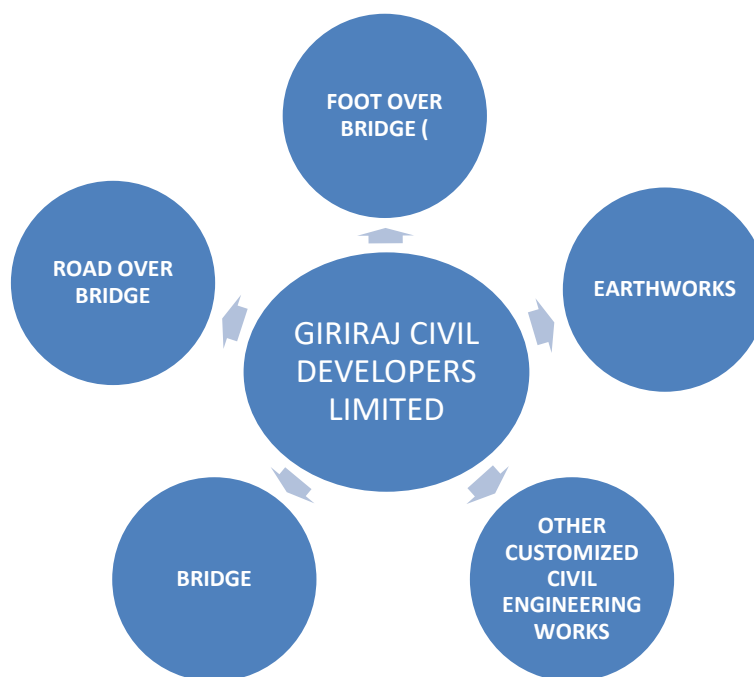
We operate from the following premises which is a leasehold property

| <b>Type of Facility</b> | <b>Location</b>   |
|-------------------------|---|
| Registered Office       | 101, Jaitirth Co-operative Housing Society, Daulat Nagar, Road No 10, Borivali (East), Mumbai – 400 066 |

Considering the nature of Company's business i.e. construction and infrastructure development, the location of projects depend upon each contracted site, which varies from project to project. However, currently we concentrate on projects in Mumbai and a few cities in Gujarat.

### **PRODUCTS AND SERVICES**

We have an established track record in executing different types of construction projects particularly in the railway sector. Our major projects include construction of Foot Over Bridges (FOB), construction, widening and extension of railway platforms, construction of covers and sheds over platforms, construction of roads and RCC drains, railway office buildings, railway motor sheds, remodelling of SWD systems, construction of elevated roads etc. Our product offering is illustrated as following:



## COMPLETED PROJECTS

Since our incorporation in 2005, we have successfully completed several projects (including those undertaken through joint ventures). The details of some of our key Government projects which are completed as on date are provided below-

| Sr. No. | Name of Employer                                       | Description of Work   | Contract Amt (₹ in Lakhs) | Completion date    |
|---------|--|---|---------------------------|--------------------|
| 1.      | MRVC   | Construction of new stabling lines including earth work, service buildings, liking of track etc at Virar station on Western Railway (MUTP-II)   | 2764.19                   | February 12, 2015  |
| 2..     | Western Railway R. K. Madhani & (60%) Giriraj JV (40%) | Providing High level PF cover, Washing apron, elevated road connecting Tilak Bridges ROB with elevated podium, FOB approach road, retaining wall, side wall drain etc at Dadar in connection 6 <sup>TH</sup> Line between BCT-BVI stations in Mumbai Division of Western Railway. | 2158.00                   | November 30, 2015  |
| 3.      | Western Railway R. K. Madhani & (60%) Giriraj JV (40%) | Const. of Elevated Podium, Ramp and other structures at Dadar in Connection with providing 6 <sup>th</sup> Line between BCT-BVI stations in Mumbai Division of Western Railway.   | 2054.00                   | June 30, 2015      |
| 4.      | MCGM   | Civil Work Contract for bldg. and const. of road & S.W.D. RCC Drain in City, Western Suburbs, Eastern Suburbs.  | 1797.21                   | August 04, 2010    |
| 5.      | R.K. Madhani & Co.                                     | Construction of Road and other Civil works in city and Suburban areas of Mumbai   | 1317.85                   | March 31, 2015     |
| 6.      | MCGM   | Civil Work Contract for bldg. and const. of road & S.W.D. RCC Drain in City, Western Suburbs, Eastern Suburbs.  | 1290.51                   | September 30, 2012 |
| 7.      | MRVC   | Provision for cover over P/F, raising / extn. of P/F at way side stations in Virar - Dahanu section of Western Railway.   | 906.94                    | April 30, 2010     |

|     |   |   |        |                    |
|-----|---|---|--------|--------------------|
|     | M.E. Infra-Projects Pvt. Ltd.           | Augmentation/Strengthening of SWD at S.S. Rao Road with Dr. B.A Road const. of RCC Box drain at S.B. rd& Dr E. Moses Road   | 884.77 | March 31, 2015     |
| 8.  | Western Railways                        | Lower Parel – Construction of Building, MS plate flooring, Hardonate flooring, Extension of shed, Structural steel work, Etc.   | 607.94 | December 31, 2011  |
| 9.  | Western Railway                         | Const. of G+2 building sick line shed diversion of road and misc work in connection with augmentation of sick line facilities at BDTS.  | 599.34 | September 03, 2010 |
| 10. | M.E. Infra-Projects Pvt. Ltd.           | WS-9.1 Cleaning & improvement of SWD and nallas including increasing / reconstruction in catchments No. 211 in R/south ward at Poiser River   | 574.81 | March 31, 2015     |
| 11. | Central Railways                        | Parel: Provision of additional FOB to connect Platform 1,2,3 & 4<br>Sion – Proposed construction of FOB at Km 12/16-17 at SION on CSTM – Kurla section for MRVC.  | 444.24 | July 31, 2014      |
| 12. | Western Railways                        | Virar – Surat section –Providing quick disbursal facility for passenger platform no. 1by providing steps in lieu of central canopy and improvement to circulating area. Proposed new parcel office Etc  | 452.52 | December 31, 2012  |
| 13. | Municipal Corporation of Greater Mumbai | WS-30 Improvement & remodeling of SWD System in Motilal Nagar No.2 Goregaon (W) in word No. 49 by Central Agency.   | 358.22 | October 12, 2010   |
| 14. | Western Railway                         | Construction, Raising/Extension of FOB at Karembale, Navasari & Vapi Stations with other misc. works in connection with western dedicated Freight Corridor on VR-St section of Mumbai Division of Western Railway for DFCCIL                  | 344.73 | May 31, 2016       |
| 15. | Central Railway                         | A) BUD : Proposed of 5.0 m wide FOB along with over head booking office on BB end at BUD (B) ABH - improvements to East & west side staircase of Public FOB at ABH station (DPWP of 09-10i (C) LNL - Repairs to station FOB at Khandala & LNL | 333.21 | November 30, 2016  |
| 16. | Western Railways                        | Udhna – Extension of cover over PF 1,2& 3. Boisar – Providing FOB at south end. Navsari – Providing FOB at South end.   | 252.99 | August 30, 2012    |
| 17. | Central Railway                         | Igatpuri- Extension of platforms With cover over of shed of platform Nos. 1,2,3 and 4 for dealing 24 coach trains   | 291.00 | March 31, 2017     |
| 18. | Western Railways                        | Borivali to Bhayander various works related to traffic facilities like alteration to FOB, Widening/ extension of platform, formation work & other civil Engg. Work in conn. with Borivali- Virar Quadrupling                                  | 272.87 | December 31, 2008  |
| 19. | Western Railways                        | Misc. Work Like extension of existing platform and providing covering etc. at Vasai Road and Nallasopara station of Mumbai division in connection with quadrupling of tracks work between Borivali- Virar.                                    | 240.31 | August 20, 2007    |
| 20. | Central Railway                         | Shahad station- Provision of 6.0 M wide FOB at Shahad Station   | 107.33 | March 31, 2017     |
| 21. | Western Railways                        | Construction of 3.66m wide pedestrian foot over bridge in lieu of LC No.33 between KM 34/8-9 at Borivali in Mumbai Division of Western Railway.   | 97.02  | August 31, 2009    |

## ONGOING PROJECTS

Details of some of our ongoing Government projects are provided below-

| Sr. No | Name of Department awarding the work                            | Brief Description of the work awarded  | Cost Of Contract Awarded (₹ in Lakhs) | Extended date of Completion |
|--------|---|--|---------------------------------------|-----------------------------|
| 1.     | Western Railway   | W421/3/165,172/UBR & SJN/WA/DFCC. Virar – Surat section Umergaon – Raising and extension of south side FOB towards East side in c/w. DFCC work.<br>Sanjan – Raising and extension of south side FOB towards East side in c/w. DFCC work.   | 297.00                                | December 31, 2018           |
| 2.     | Western Railway   | W 421/3/166/169/WA/UVLD & PAD .Virar – Surat section: Udvada – Raising and extension of south side FOB towards East side in c/w. DFCC work.<br>Pardi – Raising and extension of south side FOB towards East side in c/w. DFCC work.        | 270.00                                | December 31, 2018           |
| 3.     | Western Railway   | W421/3/168/WA/SCH/DFCC. Virar-Surat-section: Sachin – Proposed alteration of FOB in connection with DFCCI tracks   | 143.00                                | December 31, 2018           |
| 4.     | Western Railway   | W421/3/160/Kelve Rd./WA . Virar – Surat section :Kelve Road – Raising and extension of south side FOB towards East side in c/w. DFCC work.   | 154.00                                | December 31, 2018           |
| 5.     | Western Railway   | W421/3/173/WA/BLDDFCC Dated 06/1/2014. Virar – Surat section: Bhilad – Raising and extension of south side FOB towards East side in c/w. DFCC work.  | 148.00                                | December 31, 2018           |
| 6.     | Western Railway   | Dy CE (C)/DFC/03 – Construction, Raising/Extension of FOB at Karembale, Vapi and Navsari sections with other misc work in c/w Western Dedicated Freight corridor on Virar – Surat section of Mumbai Division of Western Railways of DFCCIL | 833.00                                | December 31, 2018           |
| 7.     | Western Railway   | W421/3/163/WA/BOR/DFCC. Virar Surat Section- Boisar- Raising & Extension of Two FOB's (middle FOB & south FOB) to words East side in connection with DFCC work   | 285.51                                | December 31, 2018           |
| 8.     | Western Railway   | Dy. CE (C) i/737 Shifting of stating building staff quarters and other utility structures along western dedicated freight corridor at Vaitarna, Saphala stations of Mumbai division of western railway.                                    | 959.91                                | December 31, 2018           |
| 9.     | Western Railway<br>R K Madhani & Giriraj (JV)<br>(Ratio 60-40%) | Dy. CE(C) II/265 Contraction of FOB from Mumbai central to Santacruz station of Mumbai division of western railway in connection with laying of 6th between Mumbai central to Borivali station of western railway                          | 3,006.69<br>1,202.67<br>(40%)         | March 31, 2018              |
| 10.    | Western Railway   | Dy CE (C) II/277. Construction of Elevated Podium in balance portion, North Ramp, RRI Building and other structures at Dadar in connection with laying of 6th Line between Mumbai-Central to Borivali stations.                            | 2,130.00                              | December 31, 2018           |
| 11.    | Western Railway   | Dy CE © II/276 (R ) - Construction of Elevated booking officers FOB's Overhead water tank and other miscellaneous structures between in connection with laying of 6th line between Mumbai central to Borivali station                      | 1,306.00                              | April 30, 2018              |
| 12.    | Western Railway   | Dy. CE(C ) II/ 283- Providing Horticulture & Landscaping for stilt +21 building at Dadar in connection with laying of 6th line between Mumbai Central to Borivali stations.  | 3,74.96                               | March 31, 2018              |
| 13.    | Central Railway<br>Prime_Giriraj_KK<br>(JV- 25%)                | MT/HQ/CSTM-CLA/03. Various Civil works at Parel station and Construction of service building between Mumbai CST & Vidyavihar stations in connection with Mumbai CST –Kurla 5th & 6th Lines Project   | 5,660.04                              | December 31, 2018           |

|     |  |   |          |                   |
|-----|--|---|----------|-------------------|
| 14. | Central Railway<br>( Prime-Giriraj-<br>KK JV- 25%) | Construction of 208 units, Type-II Railway quarters (at Gunpowder Raod-56 units, kurla-96 Units & Kalwa-56 Units) and 48 units, Type-III Railway Quarters at Kurla, Central railway under the work of Belapur Panel commuter railway line (Doubling) project.   | 5,478.00 | January 31, 2019  |
| 15. | Central Railway<br>(M S - Giriraj_ KK JV- 25%)     | Construction of 96 unit type II Qtrs (2 Nos. of stilt+12 floors building) at Parel Rly. Colony (tender no .Dy CR © DR/2015/9, dated 02.12.2015)   | 1,230.00 | June 30, 2018     |
| 16. | MRVC   | MRVC/W/104/ADH-GMN/2015/97. 1) Andheri- Goregaon: Execution of various Civil Engineering works such as earthwork in embankment/cutting, Metro station at Andheri to North side Foot Over Bridge at Andheri Railway station including construction of Elevated booking office with general electrical works at Andheri (East) Western Railway. | 2,296.63 | May 31, 2018      |
| 17. | MCGM   | Widening of Bridge on 90' & 60' Existing D. P. Road in Deonar Colony in 'M/East' Ward.  | 1,632.75 | December 31, 2018 |
| 18. | Western Railway                                    | Tender No- DY.CE(C)II/287 Construction of service building, Boundary wall, Side Drains, Road, Elevated Booking office and other structures between Mumbai Centre an Borivali stations of Mumbai Division of western railway in connection with laying of 6th line between Mumbai Central to Borivali Stations.                                | 2,075.78 | December 31, 2018 |
| 19. | Central Railway                                    | Extension of FOB at Kaman Road, Kharbao and Bhiwandi Road station in connection with DFCCI projects   | 500.33   | December 31, 2018 |
| 20. | Central Railway                                    | Extension of FOB at Nilje, Navade Road and Taloja station in connection with DFCCI projects   | 424.18   | December 31, 2018 |
| 21. | Western Railway                                    | Bhyandar - Providing 10m wide new Foot Over Bridge in lieu of old west span at Bhyandar(North) on platform no.6 to circulating area of west side.   | 545.81   | August 31, 2018   |

Our Company doesn't follow any specific procedure for bagging non-Government projects. Further, the details of the completed non-government projects for the last 3 years are as follows:-

| Sr. No | Particular                           | Nature of work   | Contract Amount (Rs. In Lakhs) | Date of Completion |
|--------|--------------------------------------|--|--------------------------------|--------------------|
| 1.     | Skyway Infraprojects Private Limited | Development of Underground Sewerage Scheme for Badlapur Kulgaon, & 22 MLD STP.   | 1,735.00                       | April 10, 2015     |
| 2.     | RPS Infraproject Private Limited     | Subcontract work for road work C-236, Concrete road work in C.C. road work.  | 1,160.00                       | January 22, 2016   |
| 3.     | Sagar Enterprises                    | Restoration in Road work at Zone 2, Phase 2, Part3 & Repairing of Bldg in MCGM   | 740.00                         | March 20, 2017     |
| 4.     | R.K. Madhani & Co.                   | Work Carried out at our C-248 Road Work, W-275, AC113 AE 41 Road Work, Sub-construction of road work at MCGM site Mumbai,        | 705.00                         | March 09, 2016     |
| 5.     | Gyan Construction Company            | Subcontract work of Road work at MCGM site Mumbai, Imporvment & Strench of Concrete roads in C-244 & AE-51                       | 635.00                         | March 05, 2016     |
| 6.     | M.E. Infraprojects Private Limited   | Cleaning and Improvement of SWD & Nallas including increasing/reconstruction in cathenment Poiser River system in Kandivali East | 575.00                         | March 31, 2016     |

|    |                          |  |        |                    |
|----|--------------------------|--|--------|--------------------|
| 7. | R.K.Madhani & Co         | Work Carried out at our C-248 Road Work, W-275, AC113 AE 41 Road Work, Sub construction of road work at MCGM site Mumbai,  | 538.00 | April 08, 2016     |
| 8. | D.B. Infratech           | Earthwork, Steel work, Gridding, Reconstruction, Improvement of various Rcc work at Nr Victoria School, Sitladebi Temple Road, Mahim in G/N ward, worli hill reservoir in G/S ward | 530.00 | April 10, 2017     |
| 9. | Mahavir Construction Co. | Reinstatement of Trenches Taken by Various external and internal utilities in Zone - II  | 500.00 | September 25, 2015 |

Further, the details of the ongoing non-Government projects are as follows:-

| Details of the Non Government Projects* |                      |  |                                |
|---|----------------------|--|--------------------------------|
| Sr. No                                  | Name of the Entity   | Nature of Work   | Contract Amount (Rs. In Lakhs) |
| 1                                       | Saryu Resources      | Revenue from trade of goods  | 28.75                          |
| 2                                       | Sagar Enterprises    | Restoration in Road work at Zone 2, Phase 2, Part3 & Repairing of Bldg in MCGM | 738.78                         |
| 3                                       | Darshita Enterprises | Revenue from trade of goods  | 71.37                          |

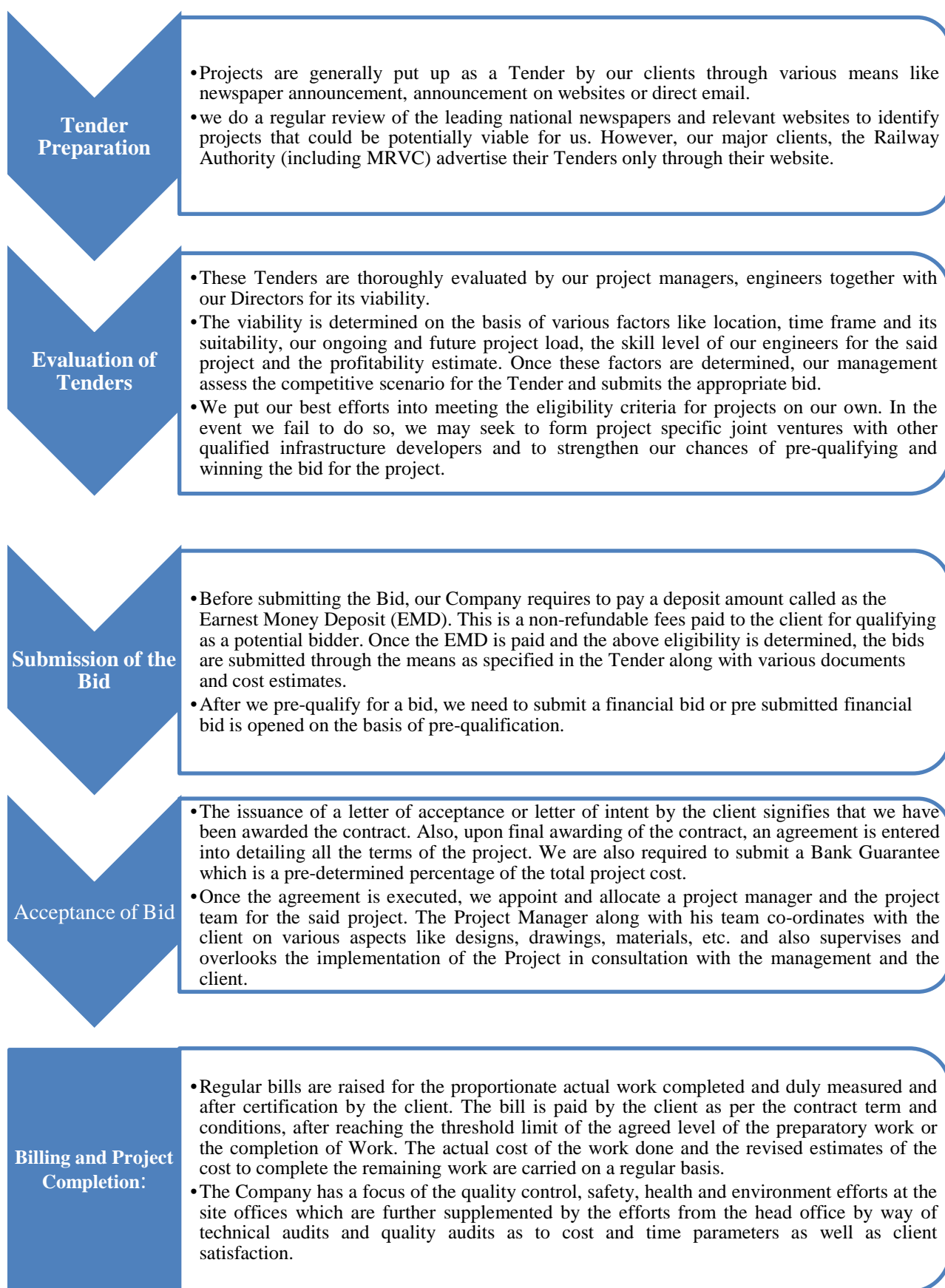
\*The billing date of all the above mentioned non-Government projects are March 31, 2018.

## BUSINESS PROCESS

Primarily, we enter into contracts through a competitive bidding process for a particular tender. As part of making a bid for any released tender, we are required to fulfill certain pre-qualifications, especially in the public sector tenders. With increasing technological advancement, all tenders are published, bidden and allotted via an online system, which provides un-biased and transparent mechanism. We also undertake a basic due-diligence for the proposed site so as to ascertain the viability of the project under the given terms of the tender.

The basic model of our contract based construction business and the steps involved in a project life-cycle are illustrated below:





## JOINT VENTURE DETAILS

In order to be eligible to bid for certain tenders or to undertake larger projects, we enter into Joint ventures; they are strategic alliances in order to get advantages in terms of financials, technical or other factors. We currently have 3 projects, in joint venture with other firms. The details of each are mentioned below. Other than these we have entered into 3 more joint venture agreements, where we can enter into tenders for fulfilling the eligibility criteria's of the awarding authority.

### R.K. Madhani- Giriraj JV

We have undertaken Contraction of FOB from Mumbai central to Santacruz station of Mumbai division of western railway in connection with laying of 6th between Mumbai central to Borivali station of western railway, through the JV. The proportion of revenue sharing in 60:40. Other than the current project we have also taken several other projects as well, in joint venture.

### Prime – Giriraj – KK JV

The joint venture was undertaken for various civil works at Parel station and Construction of service building between Mumbai CST & Vidyavihar stations in connection with Mumbai CST –Kurla 5th & 6th Lines Project. The tender was awarded by Central Railways. The Joint venture also has two other on-going projects, by the central railways. The proportion for share of profit received by our company is 25%.

Other than these Joint ventures, we have also entered into Memorandum of Understanding with 4 other organizations to take competitive advantage. For further information regarding the joint ventures, please see “*History and Certain Corporate Matters*” on page no. 103 of this Prospectus.

## PLANT& MACHINERY

Over the years, we have accumulated a large fleet of equipments. The list of the machineries is mentioned below. In some cases, there may be additional requirements of plant and machinery, which are taken on lease for the construction period. Due to owning a considerable amount of machinery as well as having leased machines easily available, gives us a competitive advantage.

- J.C.B. ( Backloader)
- Hydra ( Crane)
- Dumper ( Lorry)
- Concrete Mixer with Weigh Batcher
- Concrete Mixer with Loading Hopper
- Welding Machine
- Steel Cutter Machine
- Diesel and petrol Water pump
- Centering Steel Plates
- Centering Wooden Plates
- Centering Wooden Ply
- Mastic Cooker
- Chain Pully
- Mechanical Hoist set
  - a) Trolley with Khamba
  - b) Lister Engine 20 HP
  - c) Trolleys with ralling
  - d) Single type trolleys

## COMPETITION

We operate in a competitive atmosphere. Our competition depends on various factors, such as the type of project, total contract value, potential margins, the complexity, location of the project and risks relating to revenue generation. While service quality, raw materials used, technical ability, performance record, experience and the availability of skilled personnel's are the eligibility criteria for a company to offer a bid, the key factors in winning the tender among competitors is the price . Some of our competitors may have greater resources than those available to us.

## MANPOWER

We believe that our ability to maintain growth depends to a large extent on our strength in attracting, training, motivating and retaining employees. As on December 31, 2017 we have 34 employees.

For the construction, we employ contractual labour, which saves us the hassle of dealing with the labour on day-to-day basis and helps us to get labour as per our requirement. We have several contractors providing good labour at competitive prices.

## RAW MATERIALS & UTILITIES

The raw materials required by our company mainly include steel and cement which is locally procured by us. We try to purchase these raw materials at competitive prices to ensure profitability. Based on the terms of the contract awarded, the water and power on site may either be provided by the contract awarding authority or in some cases we may have to make arrangements for these utilities. The details of the party providing the utility will be clearly mentioned in the contract.

## OUR DESIGN AND ENGINEERING TEAM

We have a well qualified and competent in house design and engineering team. Our design and engineering team is involved in the planning and execution of the projects from the pre-bidding stage. In the pre-bidding stage, the design and engineering team prepares a basic design for the project to be submitted at the time of making the tender bid. However, in several cases, especially railway and other government projects, the design is generally provided by the client (i.e. railways or MCGM). Our team reviews these design and drawings for their viability, time factor and appearance and also prepares the project execution plan accordingly. Upon award of the project, the design and engineering team plan and co-ordinate the activities to ensure correct delivery of the project.

## PROJECT MANAGEMENT TEAM

The project management team is a mix of all departments that are involved in the planning of a project, namely design and engineering, procurement, manufacturing, quality control etc. Since most of the projects undertaken are on a strict schedule, this team ensures proper co-ordination among departments. The project management team is usually headed by the Directors.

## OUR CLIENT BASE:

We have executed our projects for Western Railway at Borivali, Bhayender, Virar-Dahanu, Goregaon, Lower Parel, Bandra, Dadar, Virar - Surat, etc. and at various western and eastern suburbs for the MCGM. We have recently successfully completed the project for finalisation of the construction of Ram Mandir station in Mumbai. We believe that our current capabilities and plans for the future ensure that we are well positioned to attract and develop new client relationships. Followings are some of our major clients:-

- Indian Railways;
- Western Railway;
- Mumbai Railway Vikas Corporation Limited;
- Central Railway.

The following table illustrates the concentration of our revenues among top ten customers.

(₹ in Lakhs)

| Particulars  | For the Period ended December 31, 2017 | For the period ended FY 2017 | For the period ended FY 2016 | For the period ended FY 2015 |
|--------------|--|------------------------------|------------------------------|------------------------------|
| Revenue      | 3,156.66                               | 3,671.56                     | 4,548.27                     | 4470.93                      |
| % of Revenue | 94.10%                                 | 81.90%                       | 94.84%                       | 90.33%                       |

Further our Government (Railways) & Non Government revenue break up for the period ended December 31, 2017 and for last fiscals is as follows:

| Particulars            | % of Revenue for the period ended December 31, 2017 | % of Revenue for the period ended FY 2017 | % of Revenue for the period ended FY 2016 | % of Revenue for the period ended FY 2015 |
|------------------------|---|---|---|---|
| Government Revenue     | 35.51%  | 33.56%                                    | 16.75%                                    | 12.00%                                    |
| Non Government Revenue | 64.49%  | 66.44%                                    | 83.25%                                    | 88.00%                                    |

## HEALTH AND SAFETY


We operate in an environment which may be subject to hazardous situations. We undertake best efforts to ensure a safe environment and undertake an initial due diligence of the area before start of the construction activity. We believe that accidents and occupational health hazards can be significantly reduced through the systematic analysis and control of risks and by providing appropriate training to management, employees and sub-contractors.

## Export & Export Obligation

We have no export obligation

## INTELLECTUAL PROPERTY



Our logo  is not registered and our Company has not made an application to 'The Registrar of Trade Marks, Trade Marks Registry under the Trademarks Act, 1999 for the registration of the corporate logo and trademark.

## PROPERTIES

We operate our registered office through following leased premises.

| Sr. No. | Name of the Lessor | Premises leased and area   | Term of the lease  | Amount of rent and security deposit                  | Purpose           |
|---------|--------------------|--|--|--|-------------------|
| 1.      | Mahesh K. Shah     | 101, Jai Tirth CHSL, Daulat Nagar , Road No. 10, Borivali (E), Mumbai- 400 066 | 60 Months commencing from April 01, 2017 to March 31, 2022 | Deposit - ₹ 6,00,000/-<br>Rent- ₹ 15,000/- per month | Registered Office |

We also have a property which is free held, which is used for investing purpose. The location of the property is- Shop No. 15, Ground floor, Paras Darshan Co-Op Housing Society Ltd., Borivali (East). Further, we also operate our office at Navsari, Gujarat with local associate. However; our Company does not bear any rental charges for these facilities and the same are built into our business understandings with local associate.

## EXPORTS AND EXPORT OBLIGATION

Our Company does not have any export obligations as on the date of this Prospectus.

## CAPACITY AND CAPACITY UTILIZATION

Capacity and capacity utilization is not applicable to our Company since our business is not in the nature of a manufacturing concern with specified installed capacity.

## INSURANCE

Our operations are subject to hazards inherent to the construction industry like collapses, slips , trips etc. or any natural calamity like hurricane, fire, earthquake, flood or any other man-made disaster that could impair our ability We have obtained insurance coverage for our owned property. We maintain Standard Fire and Special Perils Policies with an add on cover for Earthquake cover for our owned properties, which cover the risk of damage to the property. We have also insured our vehicles with the policies pertaining to vehicles used for business purposes.

We have also obtained employees compensation insurance for some of the labourers working on site.

## KEY INDUSTRY REGULATIONS AND POLICIES

*In carrying on our business as described in the section titled “Our Business” on page no. 84 of this Prospectus, our Company is regulated by the following legislations in India. The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed in this Chapter has been obtained from the various legislations, including rules and regulations promulgated by the regulatory bodies and the bye laws of the respective local authorities that are available in the public domain. The regulations and policies set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. For details of Government Approvals obtained by the Company in compliance with these regulations, kindly refer to the Chapter titled “Government and Other Key Approvals” beginning on page no. 173 of this Prospectus.*

### A. INDUSTRY-SPECIFIC REGULATIONS

#### **The Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017**

The Company has its corporate office situated at 107, Sahakar Bhavan, 340/348, Narshi Natha Street, Masjid, Mumbai-400009, Maharashtra, India. Accordingly, the provisions of the Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017 are applicable to the Company. The provisions of the Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017 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.

#### **Gujarat Shops and Establishments Act, 1948**

The provisions of the Gujarat Shops and Establishments Act, 1948 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.

#### **Building and Other Construction Work (Regulation and Employment and Conditions of Services) Act, 1996**

Building and Other Construction Work (Regulation and Employment and Conditions of Services) Act, 1996 regulates the employment and conditions of service of building and other construction workers and to provide for their safety, health and welfare measures and for other matters connected therewith or incidental thereto.

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

The Contract Labour (Regulation and Abolition) Act, 1970 (“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. The 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, 1996**

The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 is an act to regulate the employment and conditions of service of building and other construction workers and to provide for their safety, health and welfare measure and for other matter connected therewith or incidental thereto. Every employer of an establishment to which this Act applies and to which this Act may be applicable at any time is required to make an application in the prescribed form with prescribed fee for the registration of his establishment within a period of

sixty days of the commencement of the Act or within sixty days from the date on which this Act becomes applicable to the establishment. No employer of an establishment which is required to be registered but has not been registered or registration of such an establishment has been revoked and no appeal has been preferred or where an appeal has been preferred but it has been dismissed, can employ building workers in the establishment. Every building worker who is between the age of eighteen and sixty and who has been engaged in any building or other construction work for not less than ninety days during the last 12 months is eligible for registration as a beneficiary of the Building and Other Construction Workers' Welfare Fund. Application for registration is to be made in the prescribed form and is to be accompanied with prescribed documents and a fee of not more than fifty rupees.

### **The Micro, Small and Medium Enterprises Development Act, 2006 and Industries (Development and Regulation) Act, 1951**

The Micro, Small and Medium Enterprises Development Act, 2006 and Industries (Development and Regulation) Act, 1951 (“**MSMED Act**”) inter-alia seeks to provide for facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises. The MSMED Act inter-alia empowers the Central Government to classify by notification, any class of enterprises including inter-alia, a company, a partnership, firm or undertaking by whatever name called, engaged in the manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 as: (i) a micro enterprise, where the investment in plant and machinery does not exceed Rs. 25,00,000/- (Rupees Twenty Five Lakhs Only); (ii) a small enterprise, where the investment in plant and machinery is more than Rs. 25,00,000/- (Rupees Twenty Five Lakh Only) but does not exceed Rs. 5,00,00,000/- (Rupees Five Crores Only); or (iii) a medium enterprise, where the investment in plant and machinery is more than Rs. 5,00,00,000/- (Rupees Five Crores Only) but does not exceed Rs. 10,00,00,000/- (Rupees Ten Crores Only). In case of enterprises engaged in providing or rendering of services, the enterprise may be classified as: (i) a micro enterprise, where the investment in equipment does not exceed Rs. 10,00,000/- (Rupees Ten Lakhs Only); (ii) a small enterprise, where the investment in equipment is more than Rs. 10,00,000/- (Rupees Ten Lakhs Only) but does not exceed Rs. 2,00,00,000/- (Rupees Two Crores Only); or (iii) a medium enterprise, where the investment in equipment is more than Rs. 2,00,00,000/- (Rupees Two Crores Only) but does not exceed Rs. 5,00,00,000/- (Rupees Five Crores Only). The MSMED Act also inter-alia stipulates that any person who intends to establish, a micro or small enterprise or a medium enterprise engaged in rendering of services, may at his discretion and a medium enterprise engaged in the manufacture or production of goods as specified hereinabove, file a memorandum of micro, small or medium enterprise, as the case may be, with the prescribed authority.

## **B. LABOUR LAWS**

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

The Payment of Gratuity Act, 1972 provides for payment of gratuity to employees employed in factories, shops and other establishments who have put in a continuous service of 5 (five) years, in the event of their superannuation, retirement, resignation, death or disablement due to accidents or diseases. The rule of ‘five year continuous service’ is however relaxed in case of death or disablement of an employee. Gratuity is calculated at the rate of 15 (fifteen) days’ wages for every completed year of service with the employer. Presently, an employer is obliged for a maximum gratuity payout of Rs. 10,00,000/- for an employee.

### **The Minimum Wages Act, 1948**

The Minimum Wages Act, 1948 (“**MWA Act**”) was enacted to establish minimum wages for certain categories of employees. Under this Act, the Central and the State Governments stipulate the scheduled industries and establishments and fix minimum wages.

### **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 20 (twenty) or more persons are employed on any day during an accounting year, who has worked for at least 30 (thirty) 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 upto six months or a fine up to Rs. 1,000/- or both.

### **The Maternity Benefit Act, 1961**

The purpose of the Maternity Benefit Act, 1961 is to regulate the employment of pregnant women in certain establishments for certain periods and to ensure that they get paid leave for a specified period before and after



childbirth, or miscarriage or medical termination of pregnancy. It inter alia provides for payment of maternity benefits, medical bonus and prohibits the dismissal of and reduction of wages paid to pregnant women.

### **The Payment of Wages Act, 1936**

The Payment of Wages Act, 1936 (“PWA”) is applicable to the payment of wages to persons in factories and other establishments. PWA ensures that wages that are payable to the employee are disbursed by the employer within the prescribed time limit and no deductions other than those prescribed by the law are made by the employer.

### **Equal Remuneration Act, 1979**

Equal Remuneration Act, 1979 provides for payment of equal remuneration to men and women workers and for prevention discrimination, on the ground of sex, against female employees in the matters of employment and for matters connected therewith.

### **The 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 behaviour namely, physical contact and advances or a demand or request for sexual favours 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 Rs. 50,000/-.

### **Child Labour (Prohibition and Regulation) Act, 1986**

The Child Labour (Prohibition and Regulation) Act, 1986 (the “CLPR Act”) seeks to prohibit the engagement of children in certain employments and to regulate the conditions of work of children in certain other employments. It also prescribes hours and periods of work, holidays, the requirement of keeping a register, etc for the establishments falling under this act. A shop or a commercial establishment is included under the definition of an “establishment” according to Section 2(iv).

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

Industrial Dispute Act, 1947 and the Rules made thereunder provide for the investigation and settlement of industrial disputes. The Industrial Disputes Act, 1947 (“IDA”) was enacted to make provision for investigation and settlement of industrial disputes and for other purposes specified therein. Workmen under the IDA 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 IDA also sets out certain requirements in relation to the termination of the services of the workman. The IDA 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 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.

### **The Employees' Provident Fund and Miscellaneous Provisions Act, 1952**

The Employees Provident Funds and Miscellaneous Provisions Act, 1952 ("**EPF Act**") was introduced with the object to institute compulsory provident fund for the benefit of employees in factories and other establishments. The EPF Act provides for the institution of provident funds and pension funds for employees in establishments where more than 20 (twenty) persons are employed and factories specified in Schedule I of the EPF Act. Under the EPF Act, the Central Government has framed the "Employees Provident Fund Scheme", "Employees Deposit-linked Insurance Scheme" and the "Employees Family Pension Scheme". Liability is imposed on the employer and the employee to contribute to the funds mentioned above, in the manner specified in the statute. 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.

### **Trade Union Act, 1926**

The Trade Union Act, 1926 governs the disputes which arise/ may arise between employers and workmen or between workmen and workmen, or between employers and employers in connection to their employment, non-employment and the terms of employment or the conditions of labour. For the purpose of Trade Union Act, 1926, Trade Union means combination, whether temporary or permanent, formed primarily for the purpose of regulating the relations between workmen and employers or between workmen and workmen, or between employers and employers, or for imposing restrictive condition on the conduct of any trade or business etc.

## **C. INTELLECTUAL PROPERTY RIGHTS REGULATIONS**

### **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 (ten) years, which may be renewed for similar periods on payment of a prescribed renewal fee.

### **Patents Act, 1970**

The Patents Act, 1970 ("**Patents Act**") governs the patent regime in India and recognises process patents as well as product patents. The form and manner of application for patents is set out under Chapter III and Chapter VIII deals with the grant of patents. Patents obtained in India are valid for a period of 20 years from the date of filing the application. The Patents Act also provides for grant of compulsory license on patents after expiry of three years of its grant in certain circumstances such as reasonable requirements of the public, non-availability of patented invention to public at affordable price or failure to work the patented invention.

## **D. TAX RELATED LEGISLATIONS**

### **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 the IT Act or Rules made thereunder 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.

### **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.

Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975 and the Gujarat State Tax on Professions, Trades, Callings and Employments Act, 1976 are applicable to the Company.

### **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.

Under GST, SGST is a tax levied on Intra State supplies of both goods and services by the State Government and will be governed by the SGST Act. CGST will also be levied on the same Intra State supply but will be governed by the Central Government. The Maharashtra Goods and Services Tax Act, 2017 and the Gujarat Goods and Services Tax Act, 2017 are applicable to the company.

### **Integrated Goods and Services Tax Act, 2017**

Integrated Goods and Services Tax Act, 2017 (“**IGST Act**”) is a Central Act enacted to levy tax on the supply of any goods and/ or services in the course of inter-State trade or commerce. IGST is levied and collected by Centre on interstate supplies. The IGST Act sets out the rules for determination of the place of supply of goods. Where the supply involves movement of goods, the place of supply shall be the location of goods at the time at which the movement of goods terminates for delivery to the recipient. The IGST Act also provides for determination of place of supply of service where both supplier and recipient are located in India or where supplier or recipient is located outside India. The provisions relating to assessment, audit, valuation, time of supply, invoice, accounts, records, adjudication, appeal etc. given under the CGST Act are applicable to IGST Act.

## **E. OTHER REGULATIONS**

### **Transfer of Property Act, 1882**

The transfer of property, including immovable property, between living persons, as opposed to the transfer property by operation of law, is governed by the Transfer of Property Act, 1882 (“**T.P. Act.**”). The T.P. Act 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. Transfer of property is subject to stamping and registration under the specific statutes enacted for the purposes which have been dealt with hereinafter.

The T.P. Act 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 T.P. Act recognises 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.
- **Leave and License:** The transfer of a right to do something upon immovable property without creating interest in the property.

Further, it may be noted that with regards to the transfer of any interest in a property, the transferor transfers such interest, including any incidents, in the property which he is capable of passing and under the law, he cannot transfer a better title than he himself possesses.

### **The Registration Act, 1908**

The Registration Act, 1908 ("**Registration Act**") was passed to consolidate the enactments relating to the registration of documents. The main purpose for which the Registration Act was designed was to ensure information about all deals concerning land so that correct land records could be maintained. The Registration Act is used for proper recording of transactions relating to other immovable property also. The Registration Act 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 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 ("**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 Maharashtra Stamp Act, 1958 is applicable to the Company.

### **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, 1963 ("**Specific Relief Act**") is complimentary to the provisions of the Contract Act and the Transfer of Property Act, as the Act applies both to movable property and immovable property. The Specific Relief 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.

### **Consumer Protection Act, 1986**

The Consumer Protection Act, 1986 seeks to provide better protection of interests of the consumers and for that purpose to make provision for establishment of consumer councils and other authorities for the settlement of consumer's disputes and for matters connected therewith. It seeks to promote and protect the rights of consumers.

To provide steady and simple redressal to consumers' disputes, a quasi-judicial machinery is sought to be set up at the district, state and central levels. The quasi-judicial bodies will observe the principles of natural justices and have been empowered to give relieves of a specific nature and to award wherever appropriate compensation to consumers. Penalties for non-compliance of the orders given by the quasi-judicial bodies have also been provided.

### **Competition Act, 2002**

The Competition Act, 2002 ("**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 ("**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.

### **The Companies Act, 2013**

The Companies Act, 2013 ("CA 2013") has been introduced to replace the existing Companies Act, 1956 in a phased manner. The Act primarily regulates the formation, financing, functioning and winding up of companies. The CA 2013 prescribes regulatory mechanism regarding all relevant aspects, including organizational, financial and managerial aspects of the company. It plays a fundamental role in protecting the investors and the shareholders and balances it with different aspects of company autonomy. The Ministry of Corporate Affairs has also issued Rules complementary to the Act, establishing the procedure to be followed by the companies in order to comply with the substantive provisions of the CA 2013

## **F. REGULATIONS RELATING TO FOREIGN INVESTMENT**

Foreign investment in companies in the pharmaceutical sector is governed by the provisions of the Foreign Exchange Management Act, 1999 ("**FEMA**") read with the applicable regulations. The Department of Industrial Policy and Promotion ("**DIPP**"), Ministry of Commerce and Industry has issued the Consolidated FDI Policy which consolidates the policy framework on Foreign Direct Investment ("**FDI Policy**"), 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.

In terms of the FDI Policy, Foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the Government route, depending upon the sector in which foreign investment is sought to be made. In terms of the FDI Policy, 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 FDI Policy issued by the DIPP does not prescribe any cap on the foreign investments in the sector in which the Company operates. Therefore, foreign investment up to 100% is permitted in the Company under the automatic route. No approvals of the FIPB or the RBI are required for such allotment of equity Shares under this Issue. The Company will be required to make certain filings with the RBI after the completion of the Offer.



## HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was incorporated as “Giriraj Civil Developers Private Limited” on October 19, 2005 under the Companies Act, 1956 with the Registrar of Companies, Mumbai at Maharashtra bearing Registration No. 156879. The status of our Company was changed to a public limited company and the name of our Company was further changed to “Giriraj Civil Developers Limited” by a special resolution passed on December 26, 2017. A fresh certificate of incorporation consequent to the change of name was granted to our Company on January 22, 2018, by the Registrar of Companies, Mumbai at Maharashtra. The Corporate Identity Number of our Company is U45200MH2005PLC156897.

Prior to incorporating our Company, Mr. Mahesh Shah, our Chairman and Managing director and one of our Promoters, was engaged in similar line of work through M/s. Giriraj Enterprises, a sole proprietorship located in Mumbai. In the year 2005, our Company acquired the business of sole proprietorship firm M/s. Giriraj Enterprises from Mr. Mahesh Shah in consideration for Equity shares of our Company.

Our Company as on date of this Prospectus has Fourteen (14) shareholders. For further information see “Capital Structure” on page no. 52 of this Prospectus.

We are a civil works contracting and engineering company. Our current concentration is on the Railway sector projects, where we undertake a wide scope of work which includes construction of foot over bridges, platform extensions; sick line sheds, stabling lines etc. However, we have not limited ourselves to the railways and also venture into other infrastructural projects for government / semi-government bodies like MCGM and MRVC and for various private players. Most of our projects undertaken are in the states of Maharashtra and Gujarat. Our company has successfully completed several projects since inception in 2005 and currently has 21 ongoing projects.

We strive to provide innovative, integrated and customized solutions to our clients as per their specific needs. For further details regarding our business operations, please see the chapter titled “Our Business” beginning on page no. 84 of this Prospectus.

## MAJOR EVENTS

| Financial Year | Milestones   |
|----------------|--|
| 2005           | Incorporated under Companies Act, 1956 as Giriraj Civil Developers Private Limited.  |
| 2007           | Completed our first Railway project.   |
| 2009           | Completed our first tender for MTNL & MCGM   |
| 2010           | Formed our first joint venture with Moksha Construction.   |
| 2014           | Generated revenue from operation of over ₹ 5,000 Lakhs.  |
| 2018           | Conversion of our Company from private limited to public limited and consequently name of our Company was changed to “Giriraj Civil Developers Limited”. |

## MAIN OBJECTS

The main object of our Company is as follows:

*“To carry on the business in India or abroad as builders; developers, masons, general construction, industrial constructions, civil constructions, contractors, estate agents, broker for flats, dwelling houses, shops, office, industrial estate, dam, roads, bridges, drainage system, underground civil work and buildings, garages houses, halls, godowns, mills, factories or other landed properties or every tenure or description and any estate or interest therein together with all buildings and structures, standing thereon, with any right connected with such land, estates, buildings, flat garages, houses, halls, godowns, mills, factories, bridges or other immovable properties and to generally develop and turn to account and land by laying out and preparing the same for building purpose by planting, paving, draining and cultivating the same. and by constructing, altering pulling down, decorating, furnishing, maintaining fitting up and improving building, flats, garages, palaces, halls, theatres, hotels, offices, shops, godowns, warehouses, mills, factories, bridges and other premises and undertaking construction jobs, works and conveniences, and entering into contracts and other arrangements with tenants, occupants; builders, developers, contractors, Government semi-Government, autonomous body and such other persons for the use of public, Government, defence and corporate and supplier of material relating to the business of developers and constructions.”*



## CHANGES IN REGISTERED OFFICE OF OUR COMPANY

| Date of Change | Change of Registered Address   |   | Reason for Change      |
|----------------|--|---|------------------------|
|                | From   | To  |                        |
| April 01, 2017 | B-15, Paras Darshan Soc., S.V. Road, Borivali (East), Mumbai 400 066 | 101 Jaitirth Co-operative Housing Society Daulat Nagar, Road no 10, Borivali (East) Mumbai 400066 | Administrative Reasons |

## AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION

Dates on which some of the main clauses of the Memorandum of Association of our Company have been changed citing the details of amendment as under:

| Date              | Nature of Amendment   |
|-------------------|---|
| November 21, 2005 | Increase in authorized capital from ₹ Two Lakhs to ₹ Fifty Lakhs divided into Five Lakhs Equity Shares of ₹10/- each.   |
| July 11, 2006     | Increase in authorized capital from ₹ Fifty Lakhs to ₹ Two Hundred Lakhs divided into Twenty Lakhs Equity Shares of ₹10/- each.   |
| February 5, 2007  | <p>Alteration in main object clause of the Memorandum of Association<br/> <i>“To carry on the business in India or abroad as builders, developers, masons, general construction, industrial constructions, civil construction, contractors, estate agents, broker, for flats, dwelling houses, shops, office, industrial estate, dam, roads, bridges, drainage system, underground civil work and buildings, garages houses, halls, godowns, mills, factories or other landed properties of every tenure or description and any estate or interest therein together with all buildings and structures, standing thereon, with any right connected with such land, estates, buildings, flats .garages, houses, halls, godowns, mills, factories, bridges or other immovable properties and to generally develop and turn to account any land by laying out and preparing the same for building purpose by planting, paving, draining and cultivating the same and by constructing, altering, pulling down, decorating, furnishing, maintaining, fitting up and improving buildings, flats, garages, palaces, halls, theatres, hotels, offices, shops, godowns, ware houses, mills, factories bridges and other premises undertaking construction jobs, works, and conveniences and entering into contracts and other arrangements with tenants, occupants, builders, developers, constructors. Government, semi government, autonomous body and such other persons for the use of public, Government, defence and corporate and supplier of material relating to the business of developers and constructions”.</i></p> <p>Prior to alteration, the main objects of our Company was:-<br/> <i>“To carry on the business in India or abroad as builders, developers, masons, general construction, industrial constructions, civil construction, contractors, estate agents, broker, for flats, dwelling houses, shops, office, industrial estate, dam, roads, bridges, drainage system, underground civil work and buildings, garages houses, halls, godowns, mills, factories or other landed properties of every tenure or description and any estate or interest therein together with all buildings and structures, standing thereon, with any right connected with such land, estates, buildings, flats .garages, houses, halls, godowns, mills, factories, bridges or other immovable properties and to generally develop and turn to account any land by laying out and preparing the same for building purpose by planting, paving, draining and cultivating the same and by constructing, altering, pulling down, decorating, furnishing, maintaining, fitting up and improving buildings, flats, garages, palaces, halls, theatres, hotels, offices, shops, godowns, ware houses, mills, factories bridges and other premises undertaking construction jobs, works, and conveniences and entering into contracts and other arrangements with tenants, occupants, builders, developers, constructors. Government, semi government, autonomous body and such other persons for the use of public, Government, defense and corporate.</i></p> |
| November 24, 2017 | Increase in authorised share capital from ₹ Two Hundred Lakhs to ₹ Four Hundred Lakhs divided into Forty Lakhs Equity Shares of ₹ 10/- each.  |
| December 26, 2017 | Our Company was converted into a public limited company under the Companies Act, 2013 and the name of our Company was consequently changed to “Giriraj Civil Developers Limited” pursuant to certificate of incorporation dated January 22, 2018 issued by the Registrar of Companies, Mumbai at Maharashtra.   |

## SUBSIDIARY COMPANY

As on the date of this Prospectus, our Company does not have any subsidiary company.

## HOLDING COMPANY

As on the date of this Prospectus, our Company does not have any holding company.

## THE AMOUNT OF ACCUMULATED PROFIT/ (LOSSES) NOT ACCOUNTED FOR BY OUR COMPANY

There is no accumulated profit/ (losses) not accounted for by our Company.

## LOANS FROM BANKS / FINANCIAL INSTITUTIONS

As on the date of this Prospectus our Company has availed loan facilities from banks and financial institutions. For details, please see the chapter titled “*Financial Indebtedness*” beginning on page no. 164 of this Prospectus.

## CAPITAL RAISING ACTIVITIES THROUGH EQUITY OR DEBT

For details of the capital raising through equity by our Company, please see the chapter titled “*Capital Structure*” beginning on page no. 52 of this Prospectus.

## JOINT VENTURES

Our Company has Memorandum of Understanding for Joint venture with 5 entities as at the date of this Prospectus. The details regarding the joint ventures are provided below-

### 1) Prime-Giriraj-KK (JV)

Our Company has entered into a Memorandum of Understanding with Prime Civil Infrastructures Pvt. Ltd. and K.K. Engineering dated December 03, 2015 to constitute a Joint Venture, named “Prime-Giriraj-KK JV” for the purpose of agreeing to co-operate with each other for the purpose of joint participation in the CR Tender and in the event, the contract is awarded, to jointly execute the contract. The contract was for carrying out various civil works at Parel station & construction of service buildings between Mumbai CST and Vidyavihar stations in connections with Mumbai-CST-Kurla 5<sup>th</sup> and 6<sup>th</sup> lines project. The share and participation of the partners in the JV shall broadly be as follows:-

| Sr. No.      | Name of Party                             | Share of Profit |
|--------------|---|-----------------|
| 1.           | M/s. Prime Civil Infrastructures Pvt. Ltd | 51%             |
| 2.           | M/s. Giriraj Civil Developers Pvt. Ltd    | 25%             |
| 3.           | M/s. K. K. Engineering                    | 24%             |
| <b>Total</b> |   | <b>100%</b>     |

Our Promoter, Mr. Mahesh Shah is the authorized person on behalf of the joint venture to deal with the tender, to sign the agreement or enter into contract in respect of the said tender, to receive payment, to sign measurement books, to witness joint measurement of work done and similar such action in respect to the tender.

### 2) R.K. Madhani- Giriraj (JV)

Our Company entered into a Memorandum of Understanding with M/s. R.K. Madhani & Co. dated January 16, 2016 to constitute a Joint Venture, named R.K. Madhani- Giriraj (JV) for the purpose to co-operate with each other for the purpose of joint participation in the western railway tender. The tender was for Valsad- construction of Camtech pit-line, cement concrete road, drainage, boundary wall, SSE (OHE) office, Booking office and miscellaneous works at Valsad, Mumbai division of Western Railway in connection with the utility shifting works of DFCCIL. The share and participation in the JV shall be as follows-

| Sr. No. | Name of Party                           | Share of Profit |
|---------|---|-----------------|
| 1.      | M/s. R. K. Madhani & Co.                | 55%             |
| 2.      | M/s. Giriraj Civil Developers Pvt. Ltd. | 45%             |

|              |             |
|--------------|-------------|
| <b>Total</b> | <b>100%</b> |
|--------------|-------------|

Mr. Gyanchand Madhani or Mr. Narendra Madhani of M/s. R. K. Madhani & Co. and our Promoter, Mr. Mahesh Shah are the authorized signatories of this joint venture.

### 3) M/s. Dev Engineers Giriraj ( JV)

We entered into a joint venture agreement with M/s. Dev Engineers, dated April 24, 2012, named as M/s. Dev Engineers Giriraj (JV). The terms decided in the agreement was that parties of the joint venture shall jointly prepare and submit the qualification/ post qualification/ tender documents in the name of venture which shall be such from and shall contain such terms and conditions the employer shall require, any bond guarantees or indemnities by or arising out of the terms and conditions of the tender or contract shall be procured by the party proportionate to their share agreed by mutual consent. The details from submission of bid to completion of projects, all duties are outlined in the contract. The share of profit will be as follows:-

| Sr. No.      | Name f Party                       | Share of Profit |
|--------------|------------------------------------|-----------------|
| 1.           | M/s. Dev Engineers                 | 75%             |
| 2.           | Giriraj Civil Developers Pvt. Ltd. | 25%             |
| <b>Total</b> |                                    | <b>100%</b>     |

Dev Engineers represented by Mr. Pratap U Purohit and our Promoter Mr. Mahesh Shah are the authorized signatories of this joint venture.

### 4) M/s. Moksha and Giriraj (JV)

We entered into a Memorandum of Understanding with M/s. Moksha Construction dated November 29, 2010, to constitute a joint venture named M/s. Moksha & Giriraj (JV) for the purpose to co-operate with each other to associate and form a joint venture to participate in tender contract. The tender was of construction of service building, RRI cabin, augmentation of roofing system, pit lines, extension of heavy repairs sheds with inspection pits and gantry grinder. Extension of medium repair shed and other related work like Approach Road, Boundary wall, C. C. drains and pathway in Kalwa, carshed in connection and maintenance facilities of MUTP Phase II in Mumbai division.

| Sr. No.      | Name of Party                           | Share of Profit |
|--------------|---|-----------------|
| 1.           | M/s. Moksha Construction                | 64%             |
| 2.           | M/s. Giriraj Civil Developers Pvt. Ltd. | 36%             |
| <b>Total</b> |   | <b>100%</b>     |

Mr. Mahipal Jain of M/s. Moksha Construction is the authorized person on behalf of this joint venture.

### 5) Giriraj-Trans (JV)

We entered into a Memorandum of Understanding with M/s. Trans Conduct (India) dated May 11, 2016 to constitute a joint venture named "Giriraj-Trans (JV)" for the purpose to co-operate with each other for the purpose of joint participation in the work of tender for construction of lifting shed, painting shed with 25 tonne capacity gantry girder and machine shed with 15 tonne capacity gantry girder in Sanpada, carshed at Navi Mumbai.

| Sr. No.      | Name of Party                           | Share of Profit |
|--------------|---|-----------------|
| 1.           | M/s. Trans Conduct (India)              | 40%             |
| 2.           | M/s. Giriraj Civil Developers Pvt. Ltd. | 60%             |
| <b>Total</b> |   | <b>100%</b>     |

Our Promoter Mr. Mahesh Shah shall be the authorized person on behalf of this joint venture.

## SHAREHOLDERS' AGREEMENT

There are no Shareholders' Agreements existing as on the date of this Prospectus.

## DETAILS REGARDING ACQUISITION OF BUSINESS / UNDERTAKINGS, MERGERS, AMALGAMATION, REVALUATION OF ASSETS ETC.

There are no mergers, amalgamation, etc. with respect to our Company and we have not acquired any business/undertakings till date apart from acquiring M/s. Giriraj Enterprises, sole proprietorship of Mr. Mahesh Shah in the year 2005.

Further, there has been no revaluation of our fixed assets.

#### **FINANCIAL PARTNERS**

We do not have any financial partners as on the date of this Prospectus.

#### **STRATEGIC PARTNERS**

We do not have any strategic partners as on the date of this Prospectus.

#### **OTHER AGREEMENTS**

Except the contracts / agreements entered in the ordinary course of the business carried on or intended to be carried on by our Company, we have not entered into any other agreement / contract as on the date of this Prospectus.

#### **INJUNCTIONS OR RESTRAINING ORDERS**

There are no injunctions / restraining orders that have been passed against our Company.

#### **DEFAULTS OR RESCHEDULING OF BORROWINGS**

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

#### **NUMBER OF SHAREHOLDERS / MEMBERS**

Our Company has 14 (fourteen) shareholders as on the date of this Prospectus.

#### **CHANGES IN THE ACTIVITIES OF OUR COMPANY DURING THE LAST 5 YEARS**

There has been no change in the activities of our Company during the last 5 years.

#### **CHANGE IN MANAGEMENT**

There has been no change in the management of our Company since its incorporation.

#### **STRIKES AND LOCK-OUTS**

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

#### **COLLABORATIONS**

Our Company has not entered into any collaboration with any third party as per Item (VIII) (B) (1) (c) of Part A of Schedule VIII of the ICDR Regulations. .

#### **NON COMPETE AGREEMENT**

Our Company has not entered into any non-compete agreement as on the date of this Prospectus. .

#### **JOINT VENTURE/ PARTNERSHIP AGREEMENT**

Except the agreements entered in the ordinary course of business carried on or intended to be carried on by us, we have not entered into any other joint venture agreement or partnership agreement as on the date of this Prospectus.

#### **TIME AND COST OVERRUNS**

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

#### **LOCK-OUT OR STRIKES**

There has been no lock-out or strikes in our Company since inception.

#### **COMPETITION**

For details on the competition faced by our Company, please see “*Our Business*” beginning on page no. 84 of this Prospectus.

#### **TECHNOLOGY AND MARKET COMPETENCE**

For details on the technology and market competence of our Company, please see “*Our Business*” beginning on page no. 84 of this Prospectus.

## OUR MANAGEMENT

### Board of Directors:

Our Company has five (5) Directors consisting of two (2) Executive Directors, one (1) Non-Executive Non-Independent Director & two (2) Non-Executive Independent Directors. The following table sets forth the details of our Board of Directors as on the date of this Prospectus:

| Name, Current Designation, Address, Occupation, Term and DIN  | Nationality | Age      | Other Directorships                  |
|---|-------------|----------|--------------------------------------|
| <b>Mr. Mahesh Shah</b><br><i>Chairman &amp; Managing Director</i><br><br><b>Address:</b> 401 Jalaram Heights, Ganjawala Lane, Borivali West, Mumbai – 400 092.<br><br><b>Date of appointment as Director:</b> October 19, 2005<br><br><b>Date of appointment as Chairman and Managing Director:</b> October 01, 2017<br><br><b>Term:</b> for period of five years i.e. till September 30, 2022<br><br><b>Occupation:</b> Business<br><br><b>DIN:</b> 00309932 | Indian      | 50 Years | • Jinalaya Infratech Private Limited |
| <b>Mr. Krushang Shah</b><br><i>Whole-Time Director</i><br><br><b>Address:</b> 401 Jalaram Heights, Ganjawala Lane, Borivali West, Mumbai – 400 092.<br><br><b>Date of appointment as Director:</b> April 05, 2017<br><br><b>Date of appointment as Whole Time Director:</b> October 01, 2017<br><br><b>Term:</b> for period of five years i.e. till September 30, 2022<br><br><b>Occupation:</b> Business<br><br><b>DIN:</b> 07198525                         | Indian      | 25 Years | • Jinalaya Infratech Private Limited |
| <b>Mrs. Mamta Shah</b><br><i>Non-executive Non – Independent Director</i><br><br><b>Address:</b> 401 Jalaram Heights, Ganjawala Lane, Borivali West, Mumbai – 400 092.<br><br><b>Date of appointment as Director:</b> October 19, 2005<br><br><b>Date of appointment as Non-Executive Non-Independent Director:</b> November 24, 2017<br><br><b>Term:</b> Liable to Retire by Rotation<br><br><b>Occupation:</b> Business<br><br><b>DIN:</b> 00309973         | Indian      | 48 Years | • NIL                                |



| Name, Current Designation, Address, Occupation, Term and DIN   | Nationality | Age      | Other Directorships |
|--|-------------|----------|---------------------|
| <b>Mr. Perur Seshappa Prasad</b><br><i>Non-Executive Independent Director</i><br><br><b>Address:</b> No.25/26, 2nd Cross T. P Venugopal Layout, Ganga Nagar Bangalore 560032<br><br><b>Date of Appointment as Non-Executive Independent Director:</b> December 26, 2017<br><br><b>Term:</b> for period of five years i.e. till December 25, 2022<br><br><b>Occupation:</b> Professional<br><br><b>DIN:</b> 00206204  | Indian      | 63 Years | • NIL               |
| <b>Mr. Francis Joseph Dcosta</b><br><i>Non-Executive Independent Director</i><br><br><b>Address:</b> 179, Bonanza, Near King Rose Bldg Chulna Road, Vasai West Palghar 401202<br><br><b>Date of Appointment as Non-Executive Independent Director:</b> December 26, 2017<br><br><b>Term:</b> for period of five years i.e. till December 25, 2022<br><br><b>Occupation:</b> Professional<br><br><b>DIN:</b> 08033172 | Indian      | 71 Years | • NIL               |

For further details on their qualification, experience etc., please see their respective biographies under the heading “*Brief Biographies*” below:

**Notes:**

- None of the Directors on our Board are related to each other, except as mentioned below:-
  - Mrs. Mamta Shah is the wife of Mr. Mahesh Shah.
  - Mr. Krushang Shah is the son of Mr. Mahesh Shah and Mrs. Mamta Shah.
- There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the Directors were selected as a Director.
- There is no service contracts entered into by the Directors with our Company providing for benefits upon termination of employment.
- None of the Directors is or was a director of any listed company during the last five years preceding the date of this Prospectus, whose shares have been or were suspended from being traded on the BSE or the NSE, during the term of their directorship in such company.
- None of the Directors is or was a director of any listed company which has been or was delisted from any recognized stock exchange in India during the term of their directorship in such company.
- None of the Directors is categorized as a wilful defaulter, as defined under SEBI (ICDR) Regulations.

## **BRIEF BIOGRAPHIES OF OUR DIRECTORS**

### **Mr. Mahesh Shah**

Our Promoter Mr. Mahesh Shah, aged 50 years, is the Chairman & Managing Director of our Company. He is an undergraduate. He started his career in Engineering and Civil Contract with M/s. Mehta Construction in the year 1989 and in the year 1996 started his own proprietorship firm – M/s. Giriraj Enterprises. In the year 2005, he along with his wife, Mrs. Mamta Shah, incorporated Giriraj Civil Developers Private Limited. Having been in the civil construction business for over two decades, Mr. Shah has garnered vast experience and technical know-how regarding the industry. Over the years, Mr. Shah has developed a robust relationship with our suppliers and is well versed with the tender process for being awarded contracts for our Company. As the Chairman and Managing Director of our Company, he is responsible for the overall growth, strategy and day to day management of our Company.

### **Mr. Krushang Shah**

Mr. Krushang Shah, aged 25 years, is the Whole Time Director of our Company. He has completed his Bachelor of Engineering (Civil Branch) from the University of Mumbai. He joined the Civil Engineering team of our Company in the Financial Year 2014-2015. He was elevated to the position of Additional Executive Director of the Company in the year 2017. Being a civil engineer, he is assigned with the responsibility of dealing with the technical and engineering aspects of our Company.

### **Mrs. Mamta Shah**

Our Promoter Mrs. Mamta Shah, aged 48 years, is the Non-Executive Non-Independent Director of our Company. She is an undergraduate. She has been instrumental in the key decisions and management of the Company since its incorporation in the year 2005. She is involved in the routine administration of the Company and is an integral part of the Board of Directors.

### **Mr. Perur Seshappa Prasad**

Mr. Perur Seshappa Prasad, aged 63 years is the Non-Executive Independent Director of Our Company. He is a honours graduate in Physics from the Indian Institute of Science, Bangalore and has a work experience of more than 3 decades of experience in the banking industry. He has previously worked with the State Bank of India and ICICI Bank. He was the Managing Director and CEO of Dhanlaxmi Bank for nearly 3 years. He joined the Board of Our Company on December 26, 2017 as an Independent Director.

### **Mr. Francis Joseph Dcosta**

Mr. Francis Joseph Dcosta, aged 71 years is a Non-Executive Independent Director of Our Company. He is a Finance professional having more than 3 decades of experience in the Banking and Finance Industry with core experience in Corporate Banking, Credit Risk Management and Stressed Assets Management. He has previously worked with Reliance Capital (ADAG Group), Centurion Bank Limited and State Bank of India.

## **Borrowing Powers of our Board of Directors**

Our Company at its Extra-Ordinary General Meeting held on November 24, 2017 passed a resolution authorizing Board of Directors pursuant to the provisions of section 180 (1) (c) of the Companies Act, 2013 for borrowing from time to time any sum or sums of money from any person(s) or bodies corporate (including holding Company) or any other entity, whether incorporated or not, on such terms and conditions as the Board of Directors may deem fit for the purpose of the Company's business. The monies so borrowed together with the monies already borrowed by our Company (apart from temporary loans obtained from the banks in the ordinary course of business) may exceed the aggregate of the paid up share capital of our Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount of such borrowings together with the amount already borrowed and outstanding shall not, at any time, exceed ₹ 100 crores.

## REMUNERATION OF EXECUTIVE DIRECTORS

### Mr. Mahesh Shah, Chairman & Managing Director

The compensation package payable to him as resolved in the shareholders meeting held on November 24, 2017 is stated hereunder:

**Salary:** The total remuneration paid to Mr. Mahesh Shah, Chairman and Managing Director, shall not exceed a sum of ₹ 60 Lakhs per annum as provided under the provisions of the companies act, 2013 unless otherwise approved by the Central Government.

**Benefits, Perquisites, Allowances:** In addition to the basic salary mention above, Mr. Mahesh Shah may be entitled to the following benefits, perquisites and allowances which will not be included in the computation of ceiling on the remuneration specified above:

- Contribution to Provident fund, Superannuation fund or Annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961 and
- Gratuity payable at a rate not exceeding half a month's salary for each completed year of service or as per the rules of the company and
- Leave in accordance with the rules of the company, privilege leave earned but not availed by Mr. Mahesh Shah is en-cashable in accordance with the Rules of the Company.

#### Other Benefits:

- Car provided and maintained by the company for official purpose.
- Telecommunication facilities.

**Commission:** Such remuneration by way of commission, in addition to salary and perquisites and allowances payable, calculated with reference to the net profits of the company in particular financial year, as may be determined by the board at the end of each financial year, subject to the overall ceilings stipulated in sections 197 of the Act. The specific amount payable to Mr. Mahesh Shah will be based on performance as evaluated by the board and will be payable annually after the annual accounts have been adopted by the shareholders at the annual general meeting.

**Incentive Remuneration:** Such incentive remuneration not exceeding 200% of annual basic salary to be paid at the discretion of the board annually, based on certain performance criteria and such other parameters as may be considered appropriate from time to time.

**Commission:** Subject to overall limit laid down in Section 197 of the Companies Act, 2013, such percentage of the net profit of the company as may be decided by the Board of Directors for each financial year.

The remuneration paid to Mr. Mahesh Shah for FY 2016-17 was ₹ 6.00 Lakhs.

### Mr. Krushang Shah, Whole-time Director

The compensation package payable to him as resolved in the shareholders meeting held on November 24, 2017 is stated hereunder:

**Salary:** The total remuneration paid to Mr. Krushang Shah, Whole Time Director, shall not exceed a sum of ₹ 60 Lakhs per annum as provided under the provisions of the companies act, 2013 unless otherwise approved by the Central Government.

**Benefits, Perquisites, Allowances:** In addition to the basic salary mention above, Mr. Krushang Shah may be entitled to the following benefits, perquisites and allowances which will not be included in the computation of ceiling on the remuneration specified above:

- Contribution to Provident fund, Superannuation fund or Annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961 and
- Gratuity payable at a rate not exceeding half a month's salary for each completed year of service or as per the rules of the company and
- Leave in accordance with the rules of the company, privilege leave earned but not availed by Mr. Krushang Shah is en-cashable in accordance with the Rules of the Company.

### Other Benefits:

- Car provided and maintained by the company for official purpose.
- Telecommunication facilities.

**Commission:** Such remuneration by way of commission, in addition to salary and perquisites and allowances payable, calculated with reference to the net profits of the company in particular financial year, as may be determined by the board at the end of each financial year, subject to the overall ceilings stipulated in sections 197 of the Act. The specific amount payable to Mr. Krushang Shah will be based on performance as evaluated by the board and will be payable annually after the annual accounts have been adopted by the shareholders at the annual general meeting.

**Incentive Remuneration:** Such incentive remuneration not exceeding 200% of annual basic salary to be paid at the discretion of the board annually, based on certain performance criteria and such other parameters as may be considered appropriate from time to time.

**Commission:** Subject to overall limit laid down in Section 197 of the Companies Act, 2013, such percentage of the net profit of the company as may be decided by the Board of Directors for each financial year.

The remuneration paid to Mr. Krushang Shah for FY 2016-17 was ₹ 12.00 Lakhs. (The remuneration paid in FY 2016-17 was in the capacity as an employee not being a director)

### Compensation to the Non-Executive Directors

Pursuant to a resolution passed at the meeting of the Board of the Company on January 23, 2018 the Non-Executive Directors will be paid ₹ 5,000/- per meeting as sitting fee for all Board / Committee meetings held.

Remuneration paid to our Non-Executive Directors in Fiscal 2017:

- Salary paid to Mrs. Mamta Shah - ₹ 6,00,000 (Mrs. Mamta Shah was an executive director of our Company during the FY 2016-17 and her designation changed to non-executive non-independent director pursuant to her resignation as Executive Director with effect from November 24, 2017)
- Salary paid to other Non-Executive Directors - Nil

### Shareholding of Directors

The following table sets forth the shareholding of our Directors as on the date of this Prospectus:

| Name Of Directors                         | No. of Equity Shares held | % of Pre-Offer Paid Up Capital |
|---|---------------------------|--------------------------------|
| Mr. Mahesh Shah                           | 13,27,800                 | 45.10%                         |
| Mrs. Mamta Shah                           | 2,92,000                  | 9.92%                          |
| Mr. Krushang Shah                         | 1,33,100                  | 4.52%                          |
| Mr. Perur Seshappa Prasad                 | Nil                       | 0.00%                          |
| Mr. Francis Joseph Dcosta                 | Nil                       | 0.00%                          |
| <b>Total Holding of our Directors</b>     | <b>17,52,900</b>          | <b>59.54%</b>                  |
| <b>Total No. of Shares of our Company</b> | <b>29,44,100</b>          | <b>100.00%</b>                 |

### Interest of the Directors

All of our Directors may be deemed to be interested to the extent of fees payable to them for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them under our Articles of Association, and to the extent of remuneration paid to them for services rendered as an officer or employee of our Company.

Our Directors may also be regarded as interested in the Equity Shares, if any, held by them or allotted to the companies in which they are interested as Directors, Members, and Promoter, pursuant to this Offer. All of our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

Except as stated in this chapter titled “*Our Management*” and the chapter titled “*Annexure XXIX - Related Party Transactions*” under “*Financial Statements*” beginning on page nos. 109 and 130 of this Prospectus respectively, our Directors do not have any other interest in our business.

Except as stated in the chapter titled “*Our Business*” on page no. 84 of this Prospectus, our Directors have no interest in any property acquired by our Company within two years of the date of this Prospectus. Further, except as disclosed in the chapter titled “*Our Business*” on page no. 84 of this Prospectus, our Company has not taken any property on lease / rent from our Promoter within two years of the date of this Prospectus.

### Changes in the Board of Directors in the last three years

Following are the changes in our Board of Directors in the last three years:

| Sr. No. | Name of Director          | Date of Change    | Reason for change   |
|---------|---------------------------|-------------------|---|
| 1       | Mr. Krushang Shah         | April 05, 2017    | Appointment as Additional Director                              |
| 2       | Mr. Mahesh Shah           | October 01, 2017  | Change in designation to Managing Director                      |
| 3       | Mr. Krushang Shah         | October 01, 2017  | Change in designation to Whole Time Director                    |
| 4       | Mrs. Mamta Shah           | November 24, 2017 | Change in designation to Non-Executive Non-Independent Director |
| 5       | Mr. Perur Seshappa Prasad | December 26, 2017 | Appointment as Non-Executive Independent Director               |
| 6       | Mr. Francis Joseph Dcosta | December 26, 2017 | Appointment as Non-Executive Independent Director               |

### Corporate Governance

The provisions of the SEBI (LODR) Regulations, 2015 with respect to corporate governance will be applicable to us immediately upon the listing of our Equity Shares with the Stock Exchanges. We are in compliance with the requirements of the applicable regulations, including the SEBI (LODR) Regulations, 2015, the SEBI Regulations and the Companies Act, 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 has been constituted in compliance with the Companies Act and SEBI (LODR) Regulations, 2015. The Board functions either as a full board or through various committees constituted to oversee specific functions. Our executive management provides our Board detailed reports on its performance periodically.

Currently, our Board has five (5) Directors. In compliance with the requirements of the Companies Act and SEBI Listing Regulations, we have two (2) Executive Directors, one (1) Woman Non-Executive Non-Independent Director and two (2) Non-Executive Independent Directors on our Board.

### Committees of our Board

We have constituted the following committees of our Board of Directors for compliance with Corporate Governance requirements:

1. Audit Committee
2. Stakeholder’s Relationship Committee
3. Nomination and Remuneration Committee

#### 1. Audit Committee

The Audit Committee of our Board was constituted by our Directors by a board resolution dated January 23, 2018 pursuant to section 177 of the Companies Act, 2013. The Audit Committee comprises of:

| Name of the Member        | Nature of Directorship                 | Designation in Committee |
|---------------------------|--|--------------------------|
| Mr. Perur Seshappa Prasad | Non-Executive Independent Director     | Chairman                 |
| Mrs. Mamta Shah           | Non-Executive Non-Independent Director | Member                   |
| Mr. Francis Joseph Dcosta | Non-Executive Independent Director     | Member                   |

The scope of Audit Committee shall include but shall not be restricted to the following:

- a) Oversight of the Issuer's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- b) Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- d) Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013
  - Changes, if any, in accounting policies and practices and reasons for the same
  - Major accounting entries involving estimates based on the exercise of judgment by management
  - Significant adjustments made in the financial statements arising out of audit findings
  - Compliance with listing and other legal requirements relating to financial statements
  - Disclosure of any related party transactions
  - Qualifications in the draft audit report.
- e) Reviewing, with the management, the half yearly financial statements before submission to the board for approval
- f) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- g) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- h) Approval or any subsequent modification of transactions of the company with related parties;
- i) Scrutiny of inter-corporate loans and investments;
- j) Valuation of undertakings or assets of the company, wherever it is necessary;
- k) Evaluation of internal financial controls and risk management systems;
- l) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- m) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- n) Discussion with internal auditors any significant findings and follow up there on.
- o) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- p) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.



- q) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- r) To review the functioning of the Whistle Blower mechanism.
- s) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
- t) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Explanation (i): The term "related party transactions" shall have the same meaning as contained in the Accounting Standard 18, Related Party Transactions, issued by The Institute of Chartered Accountants of India.

Explanation (ii): If the Issuer has set up an audit committee pursuant to provision of the Companies Act, the said audit committee shall have such additional functions / features as is contained in this clause.

*The Audit Committee enjoys following powers:*

- a) To investigate any activity within its terms of reference
- b) To seek information from any employee
- c) To obtain outside legal or other professional advice
- d) To secure attendance of outsiders with relevant expertise if it considers necessary
- e) The audit committee may invite such of the executives, as it considers appropriate (and particularly the head of the finance function) to be present at the meetings of the committee, but on occasions it may also meet without the presence of any executives of the Issuer. The finance director, head of internal audit and a representative of the statutory auditor may be present as invitees for the meetings of the audit committee.

*The Audit Committee shall mandatorily review the following information:*

- a) Management discussion and analysis of financial condition and results of operations;
- b) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d) Internal audit reports relating to internal control weaknesses; and
- e) The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

The Company Secretary of the Company acts as the Secretary to the Committee.

*Quorum and Meetings of Audit Committee*

The audit committee shall meet at least four times in a year and not more than one hundred and twenty days shall elapse between two meetings. The quorum shall be either two members or one third of the members of the audit committee whichever is greater, but there shall be a minimum of two independent members present. Since the formation of the committee, no Audit Committee meetings have taken place.

## 2. Stakeholder's Relationship Committee

The Stakeholder's Relationship Committee of our Board were constituted by our Directors pursuant to section 178 (5) of the Companies Act, 2013 by a board resolution dated January 23, 2018. The Stakeholder's Relationship Committee comprises of:

| Name of the Member        | Nature of Directorship                 | Designation in Committee |
|---------------------------|--|--------------------------|
| Mr. Perur Seshappa Prasad | Non-Executive Independent Director     | Chairman                 |
| Mrs. Mamta Shah           | Non-Executive Non-Independent Director | Member                   |
| Mr. Francis Joseph Dcosta | Non-Executive Independent Director     | Member                   |

This committee will address all grievances of Shareholders/Investors and its terms of reference include the following:

- Allotment and listing of our shares in future
- Redressing of shareholders and investor complaints such as non-receipt of declared dividend, annual report, transfer of Equity Shares and issue of duplicate/split/consolidated share certificates;
- Monitoring transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of Equity Shares and other securities issued by our Company, including review of cases for refusal of transfer/ transmission of shares and debentures;
- Reference to statutory and regulatory authorities regarding investor grievances;
- To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
- And to do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers.

The Company Secretary of our Company acts as the Secretary to the Committee.

### *Quorum and Meetings of Stakeholder's Relationship Committee*

The quorum necessary for a meeting of the Stakeholders Relationship Committee shall be two members or one third of the members, whichever is greater. Since the formation of the committee, no Stakeholders Relationship Committee meetings have taken place.

## 3. Nomination and Remuneration Committee

The Nomination and Remuneration Committee of our Board was constituted by our Directors pursuant to section 178 of the Companies Act, 2013 by a board resolution dated January 23, 2018.

The Nomination and Remuneration Committee currently comprises of:

| Name of the Member        | Nature of Directorship                 | Designation in Committee |
|---------------------------|--|--------------------------|
| Mr. Perur Seshappa Prasad | Non-Executive Independent Director     | Chairman                 |
| Mrs. Mamta Shah           | Non-Executive Non-Independent Director | Member                   |
| Mr. Francis Joseph Dcosta | Non-Executive Independent Director     | Member                   |

The scope of Nomination and Remuneration Committee shall include but shall not be restricted to the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;

- d) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.

#### *Quorum and Meetings of Nomination and Remuneration Committee*

The quorum necessary for a meeting of the Nomination and Remuneration Committee shall be two members or one third of the members, whichever is greater. The Committee is required to meet at least once a year. Since the formation of the committee, no Nomination and Remuneration Committee meetings have taken place.

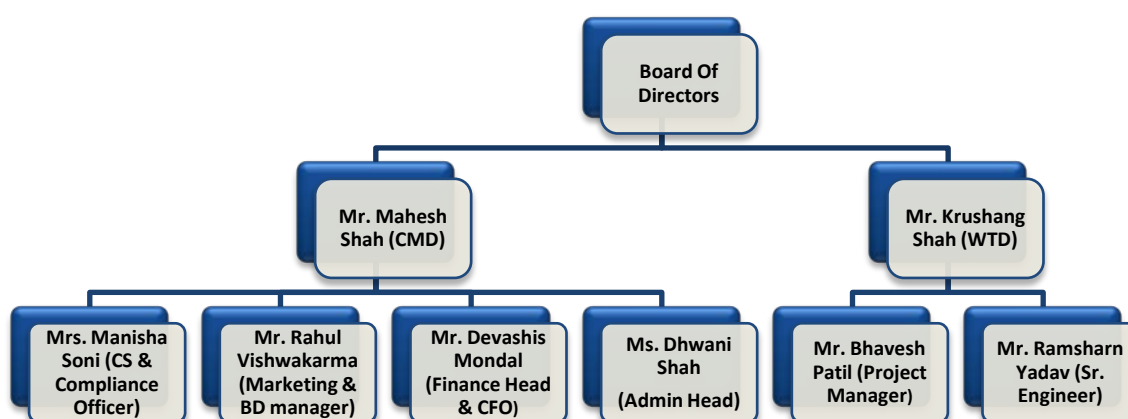
The Company Secretary of our Company acts as the Secretary to the Committee.

#### **Policy on Disclosures & Internal procedure for prevention of Insider Trading**

The provisions of Regulation 8 and 9 of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the Stock Exchange. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of our Equity Shares on stock exchange. Further, Board of Directors have approved and adopted the policy on insider trading in view of the proposed public offer.

Our Board is responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the code of conduct under the overall supervision of the board.

#### **MANAGEMENT ORGANIZATION STRUCTURE**



#### **Terms & Abbreviations**

|       |                                |
|-------|--------------------------------|
| CMD   | - Chairman & Managing Director |
| CFO   | - Chief Financial Officer      |
| WTD   | - Whole Time Director          |
| CS    | - Company Secretary            |
| BD    | - Business Development         |
| Admin | - Administration               |
| Sr.   | - Senior                       |

## Key Managerial Personnel

The details of our Key Managerial Personnel are as below –

| Name of Employee      | Designation & Functional Area | Date of Appointment | Current CTC ( ₹ in Lakhs) | Qualification                               | Name of Previous Employer(s)   | Total years of Experience |
|-----------------------|-------------------------------|---------------------|---------------------------|---|--|---------------------------|
| Mrs. Manisha Soni     | CS & Compliance Officer       | December 01, 2017   | 3.00                      | Company Secretary                           | • Shah Dikshit & Associates  | 1 year                    |
| Mr. Rahul Vishwakarma | Marketing & BD Manager        | March 30, 2016      | 2.40                      | Bachelor of Engineering (Civil Branch)      | • Michigan Engineers Private Limited   | 2 Years                   |
| Mr. Devashis Mondal   | Finance Head & CFO            | December 20, 2015   | 2.40                      | Bachelor of Commerce                        | • Quiet Cool Electronics Private Limited<br>• S. P. Maurya & Co.   | 7 Years                   |
| Mrs. Dhvani Shah      | Admin Head                    | May 05, 2017        | 2.66                      | Bachelor of Commerce (Accounting & Finance) | • R.K. Madhani & Co.<br>• P.B. Shah Firm<br>• Angel Broking Pvt. Ltd.  | 8 Years                   |
| Mr. Ramsharan Yadav   | Sr. Engineer                  | September 05, 2016  | 4.86                      | Diploma in Civil Engineering                | • RPS Infra Projects Private Limited<br>• A B Infrabuild Private Limited<br>• Valecha Engineering Limited<br>• M/s. Ray Construction | 15 Years                  |
| Mr. Bhavesh Patil     | Project Manager               | November 11, 2016   | 6.00                      | Diploma in Civil Engineering                | • Relcon Infraprojects Limited<br>• S. K. Construction   | 7 Years                   |

## Other Notes –

The aforementioned KMP are on the payrolls of our Company as permanent employees.

Also, they are not related parties as per the Accounting Standard 18.

## Relationship amongst the Key Managerial Personnel

None of the aforementioned KMPs are related to each other.

Also, none of them have been selected pursuant to any arrangement / understanding with major shareholders / customers / suppliers.

## Shareholding of Key Managerial Personnel

None of our KMP's holds any shares of our Company as on the date of this Prospectus.

### **Interest of Key Managerial Personnel**

The Key Managerial Personnel of our Company do not have any interest in our Company, other than to the extent of remuneration of benefits to which they are entitled as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business. Further, if any Equity Shares are allotted to our Key Managerial Personnel prior to / in terms of this Offer, they will be deemed to be interested to the extent of their shareholding and / or dividends paid or payable on the same.

### **Bonus or Profit Sharing Plan for the Key Managerial Personnel during the last three years**

Our Company does not have fixed bonus / profit sharing plan for any of the employees or key managerial personnel.

### **Loans taken by Key Management Personnel**

None of our Key Managerial Personnel have availed any loan from our Company.

### **Employee Share Purchase and Employee Stock Option Scheme**

Presently, we do not have ESOP / ESPS scheme for employees.

### **Payment or Benefit to our Officers**

Except for the payment of salaries and yearly bonus, if any, we do not provide any other benefits to our employees.

### **Changes in the Key Managerial Personnel in the three years preceding the date of filing this Prospectus**

Except as disclosed below, there has been no change in KMPs in past three years from the date of this Prospectus:



| <b>Name of Employee</b> | <b>Date of Change</b> | <b>Reason for Change</b>                                |
|-------------------------|-----------------------|---|
| Mr. Devashis Mondal     | December 20, 2015     | Appointment as Finance Head & CFO                       |
| Mr. Rahul Vishwakarma   | March 30, 2016        | Appointment as Marketing & BD Manager                   |
| Mr. Ramsharan Yadav     | September 05, 2016    | Appointment as Sr. Engineer                             |
| Mr. Bhavesh Patil       | November 11, 2016     | Appointment as Project Manager                          |
| Mrs. Dhvani Shah        | May 05, 2017          | Appointment as Admin Head                               |
| Mrs. Manisha Soni       | December 01, 2017     | Appointment as Company Secretary and Compliance Officer |

## OUR PROMOTER AND PROMOTER GROUP

The Promoters of our Company are:-

1. Mr. Mahesh Shah, and
2. Mrs. Mamta Shah.

The details of our Promoters are provided below:

| Mr. Mahesh Shah   |                                  |   |
|---|----------------------------------|---|
|  | <b>PAN</b>                       | AAIPS6406N                                |
|   | <b>Passport No.</b>              | J9271981                                  |
|   | <b>Driver's License</b>          | MH0120080071038                           |
|   | <b>Voter's ID No.</b>            | KDD4369880                                |
|   | <b>Bank A/c No.</b>              | 011790100000652                           |
|   | <b>Name of Bank &amp; Branch</b> | Yes Bank Limited, Borivali Branch, Mumbai |
| Mrs. Mamta Shah   |                                  |   |
|  | <b>PAN</b>                       | AMCPS3248Q                                |
|   | <b>Passport No.</b>              | J9271979                                  |
|   | <b>Driver's License</b>          | N.A.                                      |
|   | <b>Voter's ID No.</b>            | KDD4371175                                |
|   | <b>Bank A/c No.</b>              | 016490100005827                           |
|   | <b>Name of Bank &amp; Branch</b> | Yes Bank Limited, Borivali Branch, Mumbai |

*For additional details on the age, background, personal address, educational qualifications, experience, positions / posts, other ventures and Directorships held in the past for our Individual Promoter, please see the chapter titled "Our Management" beginning on page no. 109 of this Prospectus.*

*For details of the build-up of our Promoters' shareholding in our Company, please see "Capital Structure –Notes to Capital Structure" on page no. 52 of this Prospectus.*

### Other Undertakings and Confirmations

We confirm that the Permanent Account Number, Bank Account number and Passport number of our Promoters shall be submitted to the Stock Exchange at the time of filing of the Draft Prospectus with the Stock Exchange.

Our Promoters have confirmed that they have not been identified as wilful defaulters.

No violations of securities laws have been committed by our Promoters in the past or are currently pending against them. None of our Promoters, are debarred or prohibited from accessing the capital markets or restrained from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad.

### Interests of Promoters

None of our Promoters / Directors have any interest in our Company except to the extent of compensation payable / paid and reimbursement of expenses (if applicable) and to the extent of any equity shares held by them or their relatives and associates or held by the companies, firms and trusts in which they are interested as director, member, partner, and / or trustee, and to the extent of benefits arising out of such shareholding. For further details on the interest of our promoters in our Company, Please see the chapters titled "Capital Structure", "Our Promoters, Promoter Group and Group Companies" and "Our Management" beginning on page nos. 52, 121 and 109 respectively of this Prospectus.

Except as stated otherwise in this Prospectus, we have not entered into any contract, agreements or arrangements in which our Promoters are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company other than in the normal course of business.



### **Common Pursuits of our Group Company**

Save and except as disclosed in the chapter titled “*Our Group Companies*” beginning on page no. 125 of this Prospectus, there are no Group Companies of our Promoters to undertake activities which are similar to ours and are currently engaged in businesses similar to ours.

### **Companies with which the Promoter has disassociated in the last three years**

Our Promoters have not disassociated themselves from any companies, firms or entities during the last three years preceding the date of this Prospectus.

### **Payment of Amounts or Benefits to the Promoters or Promoter Group during the last two years**

Except as stated in “*Annexure XXIX – Statement of Related Party Transactions*” in “*Financial Information*” on page no. 130 of this Prospectus, there has been no payment of benefits to our Promoters during the two years preceding the date of the Prospectus.

### **Interest of Promoters in the Promotion of our Company**

Our Company is currently promoted by the Promoters in order to carry on its present business. Our Promoters are interested in our Company to the extent of their shareholding and directorship in our Company and the dividend declared, if any, by our Company.

### **Interest of Promoters in the Property of our Company**

Our Promoters have confirmed that they do not have any interest in any property acquired by our Company within two years preceding the date of the Prospectus or proposed to be acquired by our Company as on the date of this Prospectus. For details, please see the chapter “*Our Business*” on page no. 84 of this Prospectus.

Further, other than as mentioned in the chapter titled “*Our Business*” on page no. 84 of this Prospectus, our Promoters do not have any interest in any transactions in the acquisition of land, construction of any building or supply of any machinery.

Our Promoters may be interested in rent being paid by our company to them who own these premises being occupied by the company. For further details please see “*Our Business*” and “*Financial Information*” beginning on page nos. 84 and 130 of this Prospectus, respectively.

### **Interest of Promoters as a creditor of our Company**

Our Company has availed unsecured loan from Promoter, Mr. Mahesh Shah amounting to Rs. 3.96 Lakhs, the details of which are disclosed on page nos. 130 and 164 under the chapters titled “*Financial Statements*” and “*Financial Indebtedness*” respectively of the Prospectus.

### **Interest of Promoters in our Company other than as Promoters**

Other than as Promoters, our Promoters are interested in our Company to the extent of their shareholding and directorship in our Company and the dividend declared, if any, by our Company. Our Promoters are also interested to the extent of the shareholding of their relatives in our Company, including the benefits accruing by such shareholding. For details please see chapters titled “*Our Management*” and “*Capital Structure*” beginning on page nos. 109 and 52 respectively of this Prospectus.

Our Promoters may be interested to the extent of unsecured loans granted to our Company or personal guarantees given in company’s favour. Further our Promoters are also interested to the extent of loans if any, granted by them or their relatives or granted by the Companies/ firms/ HUF in which they are interested as Directors/Members/Partners/Karta to our Company. For further details regarding interest, refer to “*Annexure XXIX – Statement of Related Party Transaction*” under the chapter titled “*Financial Statements*” beginning on page no. 130 of this Prospectus.

Except, as mentioned in this section and the chapters titled “*Capital Structure*”, “*Our Business*”, “*History and Certain Corporate Matters*” and “*Annexure XXIX – Statement of Related Party Transactions*” under “*Financial Statements*” on

page nos. 52, 84, 103 and 130 respectively of this Prospectus, our Promoters do not have any interest in our Company other than as Promoters.

### Related Party Transactions

Except as stated in the “Annexure XXIX – Statement of Related Party Transactions” under “Financial Statements” on page no. 130 of this Prospectus, our Company has not entered into related party transactions with our Promoters.

### Shareholding of our Promoter Group in our Company

For details of shareholding of members of our Promoter Group as on the date of this Prospectus, please see the chapter titled “Capital Structure – Notes to Capital Structure” beginning on page no. 52 of this Prospectus.

### Other Confirmations

Our Company has neither made any payments in cash or otherwise to our Promoters or to firms or companies in which our Promoters are interested as members, directors or promoters nor have our Promoters been offered any inducements to become directors or otherwise to become interested in any firm or company, in connection with the promotion or formation of our Company otherwise than as stated in the “Annexure XXIX – Statement of Related Party Transactions” under “Financial Statements” on page no. 130 of this Prospectus.

### Outstanding Litigation

There is no outstanding litigation against our Promoters except as disclosed in the section titled “Risk Factors” and chapter titled “Outstanding Litigation and Material Developments” beginning on page nos. 12 and 166 respectively of this Prospectus.

### OUR PROMOTER GROUP

In addition to the Promoter named above, the following natural persons and entities form part of our Promoter Group in terms of Regulation 2(1)(zb)(ii) of the SEBI (ICDR) Regulation, 2009.

#### A. Natural Persons who are Part of the Promoter Group

| Name of the Promoters | Name of the Relative             | Relationship with the Promoter |
|-----------------------|----------------------------------|--------------------------------|
| Mr. Mahesh Shah       | Late Kantilal Shah               | Father                         |
|                       | Lavgaben Shah                    | Mother                         |
|                       | Mamta Shah                       | Wife                           |
|                       | Arvind Shah                      | Brother(s)                     |
|                       | 1. Late Darshita Shah            | Sister(s)                      |
|                       | 2. Lalita Shah                   |                                |
|                       | Krushang Shah                    | Son(s)                         |
|                       | Reshal Shah                      | Daughter(s)                    |
|                       | Late Ratan Chand Umaji           | Wife's Father                  |
|                       | Late Chothiben Ratan Chand Umaji | Wife's Mother                  |
|                       | Popatlal Ratan Chand Umaji       | Wife's Brother                 |
|                       | 1. Kamla Madhani                 | Wife's Sister                  |
|                       | 2. Bhagwanti Mehta               |                                |
|                       | 3. Late Diwali Ladhani           |                                |
| Mrs. Mamta Shah       | Late Ratan Chand Umaji           | Father                         |
|                       | Late Chothiben Ratan Chand Umaji | Mother                         |
|                       | Mahesh Shah                      | Husband                        |
|                       | Popatlal Ratan Chand Umaji       | Brother(s)                     |
|                       | 1. Kamla Madhani                 | Sister(s)                      |
|                       | 2. Bhagwanti Mehta               |                                |
|                       | 3. Late Diwali Ladhani           |                                |
|                       | Krushang Shah                    | Son(s)                         |
|                       | Reshal Shah                      | Daughter(s)                    |
|                       | Late Kantilal Shah               | Husband's Father               |

| Name of the Promoters | Name of the Relative  | Relationship with the Promoter |
|-----------------------|-----------------------|--------------------------------|
|                       | Lavgaben Shah         | Husband 's Mother              |
|                       | Arvind Shah           | Husband's Brother              |
|                       | 1. Late Darshita Shah | Husband's Sister               |
|                       | 2. Lalita Shah        |                                |

***B. Companies / Corporate Entities forming part of the Promoter Group***

As per Regulation 2(1)(zb)(iv) of the SEBI (ICDR) Regulations, 2009, except as mentioned below, no Company / Trust / Partnership firm / HUF or Sole Proprietorship shall form part of our Promoter Group.

| Sr. No. | Name of Promoter Group Entity/Company |
|---------|---------------------------------------|
| 1       | Mahesh K Shah HUF                     |
| 2       | M/s. Darshita Enterprises             |
| 3       | M/s. Giriraj Corporation              |

## OUR GROUP COMPANIES

The definition of ‘Group Companies’ was amended pursuant to the SEBI (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2015, to include companies covered under applicable accounting standards and such other companies as are considered material by the Board.

Pursuant to a Board resolution dated February 17, 2018, the Board formulated a policy with respect to companies which it considered material to be identified as group companies. Our Board has approved that all companies which are identified as related parties in accordance with Accounting Standards 18 as per the Restated Financial Statements and Companies considered by the board as material, are identified as group entities. Accordingly, In addition to our Promoter Group, as specified under the section “*Our Promoter and Promoter Group*” on page no. 121 of this Prospectus, the following companies have been identified as a Group Company.

### 1. Jinalaya Infratech Private Limited

Further, our Board has approved that other than Jinalaya Infratech Private Limited, there are no companies which are considered material by the Board to be identified as a group company.

## FINANCIAL INFORMATION OF GROUP ENTITIES

As per Schedule VIII (IX) (C) (2) of the SEBI (ICDR) Regulations 2009, the financial information of our group companies on the basis of Turnover, are given below:

### I. JINALAYA INFRATECH PRIVATE LIMITED. (“JIPL”)

#### ***Corporate Information:***

JIPL was incorporated as “*S R Agarwal Constructions Private Limited*” on February 18, 2011 under the Companies Act, 1956. The name of the company was subsequently changed to “*Jinalaya Infratech Private Limited*” vide the Fresh Certificate of Incorporation dated July 22, 2015 issued by the Registrar of Companies, Mumbai at Maharashtra. Its registered office is situated at B-15, Paras Darshan CHS Ltd., Near Uma Hotel S.V. Road, Borivali East Mumbai 400066. The CIN No. of JIPL is U45400MH2011PTC213697.

#### ***Main objects***

The main objects of JIPL is to carry on the business in India or abroad as builders, developers, general construction, industrial constructions, civil constructions, contractors, estate agents, broker for flats, welling houses, shops, office, industrial estate, dam, roads, bridges, drainage system, underground civil work and buildings, garages, houses, halls, godowns, mills, factories or other landed properties or every tenure or description and any estate or interest therein together with all buildings and structure, standing thereon, with any right connected with such land, estate, buildings, flats, garages, houses, halls, godowns, mills, factories, bridges or other immovable properties and to generally develop and turn to account and land by laying out and preparing the same for building purpose by planting, paving, draining and cultivating the same and by constructing, altering pulling down, decorating, furnishing, maintaining fitting up and improving buildings, flats, garages, palaces, halls, theatre, hotels, offices, shops, godowns, warehouses, mills, factories, bridges and other premises and undertaking constructions jobs, works and convenience, entering into contracts and other arrangements with tenants, occupants, builders, developers, contractors, government, semi-government, autonomous body and such other person for the use of public, government, defence and corporate and supply of material relating to the business of developers and constructions.

#### ***Board of Directors:***

- Mr. Mahesh Kantilal Shah
- Mr. Krushang Mahesh Shah
- Mr. Bhupesh Dinesh Agarwal

#### ***Interest of our promoters:***

Our promoters and promoters group hold no equity shares of this company.

| Particulars                            | No. of Equity Shares of ₹ 10 each |
|--|-----------------------------------|
| Authorised Capital                     | 1,00,000                          |
| Issued, Subscribed and Paid-up Capital | 1,00,000                          |

#### Shareholding Pattern:

| Particulars                     | No. of Shares |
|---------------------------------|---------------|
| Our Promoter and Promoter Group | -             |
| Others                          | 100%          |
| <b>Total</b>                    | <b>100%</b>   |

#### Financial Information:

The brief financial details of JIPL derived from its audited financial statements, for Fiscals 2017, 2016 and 2015 are set forth below:

( ₹ in Lakhs)

| Sr. No. | Particulars  | As at March 31 |        |        |
|---------|--|----------------|--------|--------|
|         |  | 2017           | 2016   | 2015   |
| 1       | Equity Shares  | 1.00           | 1.00   | 1.00   |
| 2       | Reserves and Surplus (Including Preliminary Expenses and Pre-operative Expenses) | (0.66)         | (0.54) | (0.48) |
| 3       | Share Application Pending Allotment  | -              | -      | -      |
| 4       | Net Worth  | 0.34           | 0.46   | 0.52   |
| 5       | Income including Other Income  | -              | -      | -      |
| 6       | Profit/ (Loss) After Tax   | -              | -      | -      |
| 7       | Earnings Per Share   | -              | -      | -      |
| 8       | Net Asset Value per Share  | 3.39           | 4.62   | 5.17   |

#### Other disclosures:

- The equity shares of JIPL are not listed on any stock exchange;
- JIPL is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor is under winding up.
- No application has been made to RoC for striking off the name of JIPL;
- JIPL is not prohibited from accessing the capital markets for any reasons by the SEBI or any other authorities.

There are no defaults in meeting any statutory /bank/institutional dues. No proceedings have been initialled for economic offences against the Company.

#### NATURE AND EXTENT OF THE INTEREST OF OUR GROUP COMPANY IN OUR COMPANY

##### In the promotion of our Company

Our Group Company does not have any interest in the promotion of our Company except their shareholding in our companies.

##### In the properties acquired by our Company

Our Group Company does not have any interest in the properties acquired by our Company within the two years of the date of filing this Prospectus or proposed to be acquired by our Company.

##### In transactions for acquisition of land, construction of building and supply of machinery

Our Group Company does not have any interest in our Company in relation to transactions for acquisition of land, construction of building and supply of machinery.

### **Payment of amount or benefits to our Group Company during the last two years**

Except as disclosed in the section “*Financial Statements – Annexure XXIX - Related Party Transactions*” beginning on page no. 130 of this Prospectus, no amount or benefits were paid or were intended to be paid to our Group Companies since the incorporation of our Company except to the extent of their shareholding and the dividend payable, if any and other distributions in respect of the Equity Shares held by them

### **Common Pursuits of our Group Company**

Jinalaya Infratech Private Limited has been authorized by its Memorandum of Association to undertake activities that are similar to us. Nil operating income was reported in the Books of Jinalaya Infratech Private Limited. As main objects are similar to ours and this may result in potential conflicts of interest with our Company in the future. Our Company has not adopted any measures for mitigating such conflict situations. However, our Company will adopt necessary procedures and practices as permitted by law to address any conflicting situation as and when they arise.

### **Related business transactions within the Group Company and its significance on the financial performance of our Company**

For details, please see the chapter titled “*Financial Statements- Annexure XXIX Related Party Transactions*” on page no. 130 of this Prospectus.

### **Sale/purchase between our Group Company (exceeding 10% in aggregate of the total sales or purchases of our Company)**

For details, please see the chapter titled “*Financial Statements- Annexure XXIX Related Party Transactions*” on page no. 130 of this Prospectus.

### **Defunct Group Company**

Our Group Company is not defunct and no application has been made to the registrar of companies for striking off its name during the five years preceding the date of this Prospectus.

### **Outstanding Litigations**

For details relating to the material legal proceedings involving our Group Company, see the chapter titled “*Outstanding Litigations and Material Developments*” on page no. 166 of this Prospectus.

### **Other Confirmations**

Our Group Company has further confirmed that it has not been declared as wilful defaulter and there have been no violations of securities laws committed by it in the past and no proceedings pertaining to such penalties are pending against it except as stated under chapters “*Risk Factors*”, “*Our Group Companies*” and “*Outstanding Litigations and Material Developments*” on page nos. 12 and 166 respectively of this Prospectus. Additionally, our Group Company has not been restrained from accessing the capital markets for any reasons by the SEBI or any other authorities except as stated under chapters “*Risk Factors*”, “*Our Group Companies*” and “*Outstanding Litigations and Material Developments*” on page nos. 12, 125 and 166 respectively of this Prospectus.



## **CURRENCY, UNITS OF PRESENTATION AND EXCHANGE RATES**

All references to “Rupees”, “Rs.” or “ ₹ ” are to Indian Rupees, the official currency of the Republic of India. All references to “US\$” or “US Dollars” or “USD” are to United States Dollars, the official currency of the United States of America.

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

## **DIVIDEND POLICY**

Under the Companies Act, 2013, our Company can pay dividends upon a recommendation by our Board of Directors and approval by a majority of the shareholders at the General Meeting. The shareholders of our Company have the right to decrease, not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends.

Our Company has not declared any dividends since incorporation.

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

## SECTION VI: FINANCIAL INFORMATION

### FINANCIAL STATEMENTS

#### REPORT OF THE AUDITORS ON FINANCIAL STATEMENTS

To,  
 The Board of Directors,  
**Giriraj Civil Developers Limited**  
 101 Jaitirth Co-operative Housing Society  
 Daulat Nagar, Road no 10,  
 Borivali (East)  
 Mumbai 400066

We have examined Financial Statements and Other Financial Information of Giriraj Civil Developers Limited (the 'Company') taking into consideration the terms of reference and terms of our engagement agreed upon with you in connection with the proposed IPO of Equity Shares in SME Platform of NSE ("IPO") of the Company and the Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by the Institute of Chartered Accountants of India.

The said Restated Financial Statements and other Financial Information have been prepared for the purposes of inclusion in the Draft Prospectus / Prospectus (collectively hereinafter referred to as "Offer Document") in connection with the proposed Initial Public Offer ("IPO") of the Company in accordance with the requirements of:

- i. Sub-clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 read with applicable provisions within Rule 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended (hereinafter referred to as the "Act");
  - ii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (the 'SEBI Regulations') and the related clarifications issued by the Securities and Exchange Board of India ('SEBI'); as amended to date;
  - iii. We have examined the accompanied 'Restated Statement of Profit and Loss' (**Annexure – II**) for the period ended 31<sup>st</sup> December, 2017 and years ended on 31st March 2017, 2016, 2015, 2014 and 2013 and the 'Restated Statement of Assets and Liabilities' (**Annexure – I**) as on those dates, forming Part of the 'Financial Information' dealt with by this Report, detailed below. Both read together with the Significant Accounting Policies and Notes to Accounts (**Annexure – IV & V**) thereon, which are the responsibility of the Company's management. The information have been extracted from the financial statements for the period ended on 31<sup>st</sup> December 2017 and for financial year ended on 31st March 2017, 2016, 2015, 2014, 2013, audited by AIMV & ASSOCIATES, being the Statutory Auditors of the Company for the respective years and is re-audited by us for the period ended December 31<sup>st</sup> 2017 and financial year ended 31st March 2017, approved by the Board of Directors. We did not carry out any validation tests or review procedures of financial statements for aforesaid financial year audited by previous auditors, upon which we have placed our reliance while reporting.
1. In terms of Schedule VIII, Clause IX (9) of the SEBI (ICDR) Regulations, 2009 and other provisions relating to accounts of Giriraj Civil Developers Limited, we, LLB & Co, Chartered Accountants, have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the Peer Review Board of the ICAI.
  2. Based on our examination, we further report that:
    - a. The Restated Statement of Assets and Liabilities of the Company as at December 31, 2017, March 31, 2017, 2016, 2015, 2014 and 2013 examined by us, as set out in **Annexure I** to this examination report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in the statement of significant accounting policies in **Annexure IV** and the Notes to Accounts in **Annexure V**..
    - b. The Restated Statement of Profit and Loss of the Company for the period ended December 31' 2017 and financial years ended on March 31, 2017, 2016, 2015, 2014 and 2013 examined by us, as set out in **Annexure II** to this examination report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in the statement of significant accounting policies in Annexure IV and the Statement

of Adjustments to the audited financial statements in Annexure V.

- c. The Restated Statement of Cash Flows of the Company for the period ended December 31, 2017 and the financial years ended March 31, 2017, 2016, 2015, 2014 and 2013 examined by us, as set out in **Annexure III** to this examination report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in the statement of significant accounting policies in **Annexure IV** and the Notes to Accounts in **Annexure V**.
- d. The Restated Financial Statements have been made after incorporating adjustments for :
  - i. The changes, if any, in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per the changed accounting policy for all the reporting period /years.
  - ii. Prior period and other material amounts in the respective financial years to which they relate.

Which are stated in the Notes to Accounts as set out in **Annexure V**:

- e. Such Financial statements do not require any corrective adjustments on account of :
  - i. Other remarks/comments in the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub - section (4A) of section 227 of the act, on financial statements of the company as at and for the period ended December 31, 2017 and for the financial years ended March 31, 2017, 2016, 2015, 2014, and 2013
  - ii. Extra-ordinary items that need to be disclosed separately in the accounts requiring adjustments.
3. At the request of the company, we have also examined the following financial information("Other Financial Information") proposed to be included in the offer document prepared by the management and approved by the board of directors of the company and annexed to this report:
  - i) Restated Statement of Share Capital (Annexure - VI)
  - ii) Restated Statement of Reserves & Surplus (Annexure - VII)
  - iii) Restated Statement of Long Term Borrowings (Annexure - VIII)
  - iv) Restated Statement of Non Current Liabilities (Annexure- IX)
  - v) Restated Statement of Deferred Tax Liabilities/Assets (Annexure X)
  - vi) Restated Statement of Short Term Borrowings (Annexure- XI)
  - vii) Restated Statement of Trade Payable (Annexure- XII)
  - viii) Restated Statement of Other Current Liabilities (Annexure- XIII)
  - ix) Restated Statement of Short Term Provisions (Annexure- XIV)
  - x) Restated Statement of Fixed Assets (Annexure- XV)
  - xi) Restated Statement of Non Current Investments (Annexure- XVI)
  - xii) Restated Statement of Other Non Current Assets (Annexure- XVII)
  - xiii) Restated Statement of Other Long Term Loans and Advances (Annexure- XVIII)
  - xiv) Restated Statement of Inventories (Annexure – XIX)
  - xv) Restated Statement of Trade Receivables (Annexure - XX)
  - xvi) Restated Statement of Cash and Cash Equivalents (Annexure - XXI)
  - xvii) Restated Statement of Short Term Loans and Advances (Annexure - XXII)
  - xviii) Restated Statement of Other Current Assets (Annexure - XXIII)
  - xix) Restated Statement of Revenue from Operations (Annexure – XXIV)
  - xx) Restated Statement of Other Income (Annexure – XXV)
  - xxi) Statement of Contingent Liabilities (Annexure – XXVI)
  - xxii) Restated Statement of Capitalization (Annexure – XXVII)
  - xxiii) Statement of Accounting Ratios (Annexure – XXVIII)
  - xxiv) Statement of Related Party Transactions (Annexure – XXIX)
  - xxv) Statement of Tax Benefit (Annexure – XXX)

In our opinion, the Restated Financial Statements and the other Financial Information set forth in Annexure I to XXX read with the significant accounting policies and notes to the restated financial statements have been prepared in accordance with section 26 read with applicable provisions within Rule 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 of Companies Act, 2013 and the SEBI Regulations and

the Guidance Note on the reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India (ICAI).

Consequently the financial information has been prepared after making such regroupings and adjustments as were, in our opinion, considered appropriate to comply with the same. As a result of these regrouping and adjustments, the amount reported in the financial information may not necessarily be the same as those appearing in the respective audited financial statements for the relevant years.

4. This report should not in any way construed as a reissuance or redrafting of any of the previous audit report issued by us nor should this report be construed as new opinion on any of the financial statement referred to therein.
5. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
6. This report is intended solely for your information and for inclusion in the Offer document in connection with the Company's proposed IPO-SME of equity shares and is not to be used, referred to or distributed for any other purpose without our prior written consent.

**For LLB& Co.,  
Chartered Accountants  
Firm Registration No.117758W**

**Mr. Lalit Bajaj  
Partner  
Membership No. 104234  
Place: Mumbai  
Date: February 22, 2018.**

**Annexure I**  
**STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED**

( ₹ in Lakhs)

| Particulars                                  | As at<br>Decemb<br>er 31,<br>2017 | As at March 31, |                 |                 |                 |                 |
|--|-----------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
|  |                                   | 2017            | 2016            | 2015            | 2014            | 2013            |
| <b>EQUITY AND LIABILITIES</b>                |                                   |                 |                 |                 |                 |                 |
| <b>1.Shareholder's fund</b>                  |                                   |                 |                 |                 |                 |                 |
| a) Equity Share Capital                      | 294.41                            | 147.21          | 147.21          | 167.71          | 162.06          | 162.06          |
| b)Reserves and surplus                       | 1,603.98                          | 1,616.27        | 1,437.48        | 1,241.49        | 1,010.14        | 813.56          |
| c) Share Application Money Pending Allotment | -                                 | -               | -               | -               | -               | -               |
| <b>Total Shareholders Fund (1)</b>           | <b>1898.39</b>                    | <b>1,763.48</b> | <b>1,584.69</b> | <b>1,409.19</b> | <b>1,172.20</b> | <b>975.62</b>   |
| <b>2.Non-current liabilities</b>             |                                   |                 |                 |                 |                 |                 |
| a) Long Term Borrowings                      | 240.11                            | 72.59           | 85.77           | -               | -               | -               |
| b) Other non current liabilities             | 72.82                             | 51.46           | 51.82           | 103.39          | 98.32           | 32.28           |
| <b>Total(2)</b>                              | <b>312.94</b>                     | <b>124.05</b>   | <b>137.59</b>   | <b>103.39</b>   | <b>98.32</b>    | <b>32.28</b>    |
| <b>3.Current liabilities</b>                 |                                   |                 |                 |                 |                 |                 |
| a) Short-term borrowings                     | 1,338.37                          | 1,345.04        | 1,054.82        | 693.07          | 707.00          | 444.28          |
| b) Trade payables                            | 839.35                            | 2,669.90        | 1,523.48        | 1,380.08        | 1,005.20        | 748.88          |
| c) Other Current Liabilities                 | 304.10                            | 355.02          | 120.68          | 23.14           | 20.30           | 41.13           |
| d) Short-term provisions                     | 159.00                            | 177.20          | 86.84           | 85.54           | 164.64          | 119.74          |
| <b>Total(3)</b>                              | <b>2640.81</b>                    | <b>4,547.16</b> | <b>2,785.82</b> | <b>2,181.83</b> | <b>1,897.13</b> | <b>1,354.02</b> |
| <b>TOTAL(1+2+3)</b>                          | <b>4852.15</b>                    | <b>6,436.20</b> | <b>4,509.10</b> | <b>3,695.16</b> | <b>3,168.17</b> | <b>2,362.18</b> |
| <b>ASSETS</b>                                |                                   |                 |                 |                 |                 |                 |
| <b>1.Non - Current Assets</b>                |                                   |                 |                 |                 |                 |                 |
| a) Fixed Assets                              |                                   |                 |                 |                 |                 |                 |
| i.) Tangible assets                          | 76.56                             | 46.32           | 52.78           | 60.10           | 71.09           | 79.84           |
| ii) Intangible assets                        | -                                 | -               | -               | -               | -               | -               |
| b) Non Current Investment                    | 152.92                            | 149.65          | 96.30           | 58.55           | 45.66           | 55.65           |
| c) Long term Loans & Advances                | 458.20                            | 409.85          | 391.77          | 426.76          | 233.06          | 29.01           |
| d) Deferred tax assets (Net)                 | 0.83                              | 0.35            | 0.23            | 0.67            | 0.99            | 1.21            |
| e) Other Non Current Assets                  | 599.52                            | 316.64          | 290.69          | 360.72          | 479.20          | 530.54          |
| <b>Total (1)</b>                             | <b>1288.03</b>                    | <b>922.81</b>   | <b>831.77</b>   | <b>906.79</b>   | <b>830.00</b>   | <b>696.25</b>   |
| <b>2.Current Assets</b>                      |                                   |                 |                 |                 |                 |                 |
| a) Inventories                               | 1,424.07                          | 777.05          | 647.39          | 279.12          | 200.70          | 346.30          |
| b) Trade Receivables                         | 1,397.82                          | 3,853.43        | 2,490.16        | 2,071.03        | 1,578.82        | 684.40          |
| c) Cash and Cash equivalents                 | 457.83                            | 421.70          | 241.07          | 214.96          | 363.15          | 550.58          |
| d) Short-term loans and advances             | 27.71                             | 10.87           | 13.44           | 33.33           | 36.12           | 8.34            |
| e) Other current assets                      | 256.68                            | 450.34          | 285.27          | 189.92          | 159.39          | 76.30           |
| <b>Total(2)</b>                              | <b>3564.11</b>                    | <b>5,513.39</b> | <b>3,677.33</b> | <b>2,788.37</b> | <b>2,338.17</b> | <b>1,665.93</b> |
| <b>TOTAL(1+2)</b>                            | <b>4852.15</b>                    | <b>6,436.20</b> | <b>4,509.10</b> | <b>3,695.16</b> | <b>3,168.17</b> | <b>2,362.18</b> |



**Annexure II**  
**STATEMENT OF PROFIT AND LOSS ACCOUNT, AS RESTATED**

( ₹ In Lakhs)

| Particulars  | For the period ended December 31, 2017 | For the year ended March 31, |                 |                 |                 |                 |
|--|--|------------------------------|-----------------|-----------------|-----------------|-----------------|
|  |  | 2017                         | 2016            | 2015            | 2014            | 2013            |
| <b>INCOME:</b>   |  |                              |                 |                 |                 |                 |
| Revenue from Operations(Net)   | 3,354.73                               | 4,483.01                     | 4,795.88        | 4,949.34        | 5,645.72        | 4,159.04        |
| Other Income   | 44.25                                  | 44.01                        | 25.60           | 46.08           | 28.46           | 65.80           |
| <b>Total income</b>  | <b>3,398.98</b>                        | <b>4,527.02</b>              | <b>4,821.48</b> | <b>4,995.42</b> | <b>5,674.18</b> | <b>4,224.83</b> |
| <b>EXPENSES:</b>   |  |                              |                 |                 |                 |                 |
| Cost Of Material Consumed/ Traded  | 2,942.19                               | 3,047.15                     | 4,044.84        | 3,573.90        | 3,429.42        | 2,505.06        |
| Direct Expenses  | 521.51                                 | 1,034.13                     | 570.86          | 1,064.28        | 1,685.91        | 1,261.61        |
| Changes in Inventories   | (602.13)                               | (187.68)                     | (286.88)        | (75.57)         | 94.21           | 87.22           |
| Employee Benefit Expenses  | 86.44                                  | 92.02                        | 45.73           | 44.21           | 46.78           | 45.04           |
| Depreciation & Amortisation cost   | 6.55                                   | 8.53                         | 8.92            | 9.58            | 12.07           | 14.84           |
| Financial Cost   | 207.41                                 | 231.59                       | 156.60          | 91.12           | 87.27           | 72.97           |
| Other Expenses   | 34.57                                  | 31.62                        | 19.14           | 12.56           | 19.52           | 18.46           |
| <b>Total expenses</b>  | <b>3,196.54</b>                        | <b>4,257.35</b>              | <b>4,559.21</b> | <b>4,720.08</b> | <b>5,375.18</b> | <b>4,005.20</b> |
| <b>Exceptional and prior period items</b>  |  |                              |                 |                 |                 |                 |
| <b>Net Profit / (Loss) before Tax</b>  | <b>202.44</b>                          | <b>269.67</b>                | <b>262.28</b>   | <b>275.34</b>   | <b>298.99</b>   | <b>219.674</b>  |
| <b>Less: Tax expense</b>   |  |                              |                 |                 |                 |                 |
| Provision for income tax   | 68.00                                  | 91.00                        | 86.84           | 85.54           | 102.19          | 71.24           |
| Provision for deferred tax asset   | (0.48)                                 | (0.12)                       | 0.44            | 0.32            | 0.22            | (0.63)          |
| <b>Total</b>   | <b>67.52</b>                           | <b>90.88</b>                 | <b>87.28</b>    | <b>85.86</b>    | <b>102.41</b>   | <b>70.61</b>    |
| <b>Net Profit / ( Loss ) for the period after tax but before extra ordinary items</b>                            | <b>134.92</b>                          | <b>178.79</b>                | <b>175.00</b>   | <b>189.48</b>   | <b>196.58</b>   | <b>149.02</b>   |
| Extraordinary Items  |  | -                            | -               | -               | -               | -               |
| <b>Net Profit / ( Loss ) for the period after tax and after extra ordinary items available for appropriation</b> | <b>134.92</b>                          | <b>178.79</b>                | <b>175.00</b>   | <b>189.48</b>   | <b>196.58</b>   | <b>149.02</b>   |
| <b>Less : Proposed Dividend</b>  | <b>-</b>                               | <b>-</b>                     | <b>-</b>        | <b>-</b>        | <b>-</b>        | <b>-</b>        |
| <b>Dividend Distribution Tax</b>   | <b>-</b>                               | <b>-</b>                     | <b>-</b>        | <b>-</b>        | <b>-</b>        | <b>-</b>        |
| <b>Net Profit transferred to Reserves</b>  | <b>134.92</b>                          | <b>178.79</b>                | <b>175.00</b>   | <b>189.48</b>   | <b>196.58</b>   | <b>149.02</b>   |

**Annexure III**  
**CASH FLOW STATEMENT, AS RESTATED**

(₹ in Lakhs)

| Particulars   | For the period ended December 31, 2017 | For the year ended March 31, |                 |                 |                 |                 |
|---|--|------------------------------|-----------------|-----------------|-----------------|-----------------|
|   |  | 2017                         | 2016            | 2015            | 2014            | 2013            |
| <b>Cash Flow From Operating Activities</b>                                  |  |                              |                 |                 |                 |                 |
| Net Profit Before Tax   | 202.44                                 | 269.67                       | 262.28          | 275.36          | 298.99          | 219.64          |
| Adjustments for :   |  |                              |                 |                 |                 |                 |
| Depreciation/Amortisation   | 6.55                                   | 8.53                         | 8.92            | 9.58            | 12.07           | 14.84           |
| Interest & Financial Charges  | 207.41                                 | 231.59                       | 156.60          | 91.12           | 87.27           | 72.97           |
| Interest Received   | 35.75                                  | 42.66                        | 17.87           | 26.24           | 34.25           | 26.77           |
| Adjustment for Prior Period   | -                                      | -                            | -               | -               | -               | (0.49)          |
| Loss on Sale of Investment  | -                                      | -                            | -               | -               | -               | 1.85            |
| Profit on sale of fixed asset   |  |                              | 0.97            | 0.22            |                 |                 |
| <b>Operating Profit Before Working Capital Adjustments</b>                  | <b>380.65</b>                          | <b>467.13</b>                | <b>408.95</b>   | <b>349.58</b>   | <b>364.09</b>   | <b>282.03</b>   |
| <b>Adjustment for Changes in Working Capital</b>                            |  |                              |                 |                 |                 |                 |
| Trade Receivables   | 2,455.62                               | (1,363.27)                   | (419.13)        | (492.21)        | (894.42)        | (115.26)        |
| Inventories   | (647.02)                               | (129.66)                     | (368.26)        | (78.43)         | 145.60          | 123.81          |
| Short Term Loans and Advances   | (16.85)                                | 2.58                         | 19.89           | 2.78            | (27.78)         | (0.87)          |
| Other Current Assets  | 193.66                                 | (165.07)                     | (95.35)         | (30.54)         | (83.08)         | 387.96          |
| Trade Payables  | (1,830.55)                             | 1,146.42                     | 143.40          | 374.88          | 256.32          | 120.82          |
| Other Current Liabilities   | (50.93)                                | 234.20                       | 97.54           | 2.84            | (20.83)         | (11.15)         |
| <b>Cash Flow Generated from Operations</b>                                  | <b>484.58</b>                          | <b>192.46</b>                | <b>(212.95)</b> | <b>128.92</b>   | <b>(260.09)</b> | <b>787.33</b>   |
| Direct Tax Paid   | 86.20                                  | 0.64                         | 85.54           | 164.64          | 57.29           | 105.54          |
| <b>Net Cash flow from Operating activities (A)</b>                          | <b>398.38</b>                          | <b>191.82</b>                | <b>(298.49)</b> | <b>(35.72)</b>  | <b>(317.38)</b> | <b>681.79</b>   |
| <b>Cash Flow From Investing Activities</b>                                  |  |                              |                 |                 |                 |                 |
| Purchase of Fixed Assets  | (36.80)                                | (2.07)                       | (1.80)          | -               | (3.32)          | (0.22)          |
| Sale of Fixed Assets  | -                                      | -                            | 1.16            | 1.15            | -               | 3.35            |
| Non-Current Investments   | (3.27)                                 | (53.35)                      | (37.75)         | (12.88)         | 9.99            | (31.35)         |
| Other Non-Current Assets  | (282.87)                               | (25.96)                      | 70.03           | 118.48          | 51.34           | 62.04           |
| Interest Received   | 35.75                                  | 42.66                        | 17.87           | 26.24           | 34.25           | 26.77           |
| other non -current liabilities  | 19.84                                  | 0.16                         | (51.31)         | 5.31            | 66.30           | 32.53           |
| <b>Net Cash Flow from Investing Activities (B)</b>                          | <b>(267.35)</b>                        | <b>(38.56)</b>               | <b>(1.81)</b>   | <b>138.29</b>   | <b>158.55</b>   | <b>93.13</b>    |
| <b>Cash Flow From Financing Activities</b>                                  |  |                              |                 |                 |                 |                 |
| Issue of Share Capital  |  | -                            | 0.50            | 47.98           | -               | -               |
| Increase / (Decrease) in Long Term Borrowing                                | 167.53                                 | (13.18)                      | 85.77           | -               | -               | (11.89)         |
| Increase / (Decrease) in Short Term Borrowing                               | (6.67)                                 | 290.22                       | 361.75          | (13.93)         | 262.72          | (364.09)        |
| Long Term Loans and Advances  | (48.35)                                | (18.08)                      | 34.99           | (193.71)        | (204.05)        | (29.01)         |
| Interest & Financial Charges  | (207.41)                               | (231.59)                     | (156.60)        | (91.12)         | (87.27)         | (72.97)         |
| <b>Net Cash Flow from Financing Activities (C)</b>                          | <b>(94.91)</b>                         | <b>27.37</b>                 | <b>326.41</b>   | <b>(250.77)</b> | <b>(28.60)</b>  | <b>(459.96)</b> |
| <b>Net Increase/ ( Decrease) in Cash and Cash Equivalents ( A + B + C )</b> | <b>36.13</b>                           | <b>180.64</b>                | <b>26.11</b>    | <b>(148.20)</b> | <b>(187.43)</b> | <b>314.96</b>   |
| <b>Cash &amp; Cash equivalent at the beginning of the year</b>              | <b>421.70</b>                          | <b>241.07</b>                | <b>214.96</b>   | <b>363.15</b>   | <b>550.58</b>   | <b>235.61</b>   |

| Particulars                                   | For the period ended December 31, 2017 | For the year ended March 31, |        |        |        |        |
|---|--|------------------------------|--------|--------|--------|--------|
|   |  | 2017                         | 2016   | 2015   | 2014   | 2013   |
| Cash & Cash Equivalent at the end of the year | 457.83                                 | 421.70                       | 241.07 | 214.95 | 363.15 | 550.57 |

## **Annexure IV**

### **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

#### **A. Corporate Information**

Giriraj Civil Developers Limited (the company) is a limited company domiciled in India and incorporated under the companies Act 1956 as Giriraj Civil Developers Private Limited. The company is engaged in business of Civil Construction since inception, the company has executed various contract work of Government, semi government, corporation and private organisation.

#### **B. Summary of Significant Accounting Policies**

##### **(a) Basis for preparation of financial statement**

i) These financial statements have been prepared to comply with the Accounting Standards referred to in the Companies (Accounting Standards) Rules, 2006 notified by the Central Government in exercise of the power conferred under sub-section (1) (a) of section 642 and the relevant provisions of the Companies Act, 1956 read with the Rule 7 of Companies (Accounts) Rules, 2014 in respect of section 133 of the Companies Act, 2013 (the "Act").

ii) The financial statements have been prepared on a going concern basis under the historical cost convention on accrual basis. The accounting policies have been consistently applied by the Company unless otherwise stated.

iii) All the assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III of the Companies Act 2013.

##### **(b) Use of Estimates**

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimate are recognised in the period in which the results are known / materialised.

##### **(c) Revenue Recognition**

- i) Revenue from the sale (Contract Receipt) is recognised in accordance with accounting standard-9 on percentage of the completion method based on appraisal made by the contractees.
- ii) Revenue from the sale of goods is recognised upon passage of title to the customers, which generally coincides with their delivery.
- iii) Revenue from rental of property recognised as per the term of the agreement.
- iv) Revenue from services are recognised upon rendering of services and billed to the customers.
- v) Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

##### **(d) Expenditure**

Expenditures are accounted for on accrual basis and provision is made for all known losses and liabilities.

##### **(e) Fixed Assets**

Tangible Fixed Assets are stated at cost less accumulated depreciation. The cost of assets comprises the purchase price and any attributable cost of bringing the assets to its working condition for its intended use.

Losses arising from the retirement of, and gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of Profit and Loss.

**(f) Valuation of Inventories**

- i) Inventory of raw material are values at cost adopting FIFO Basis.
- ii) Work in progress is valued at actual raw material cost and estimated overheads which remained to be billed to the contractees.

**(g) Depreciation**

- i) Depreciation on Fixed Assets is provided to the extent of depreciable amount on the straight line Method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013
- ii) Depreciation in respect of addition to the fixed assets is provided on Pro-rata basis in which such assets are acquired / installed.
- iii) In case of assets costing less than Rs.5000/- deprecation@ 100% is provided

**(h) Impairment of Fixed Assets**

At each balance sheet date the company review whether there is any indication of impairment of the carrying amount of the company's fixed assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of assets exceeds its recoverable amount and charged to profit & loss account in the year in which assets is identified as impaired. The recoverable is greater of the net selling price and value in use. In assessing value in use, the estimate future cash flows are discounted to their present value based on an appropriate discount factor. The impairment loss recognized in prior accounting periods is reversed if there has been changed in the estimate of recoverable amount.

**(i) Employee Benefits**

Short term benefit payable to employees wholly within twelve months of rendering services such as salaries, wages etc. are recognised in the period in which the employee renders the related service.

Defined Contribution Plan: The Company's contribution to the state governed employees provident fund scheme is a defined contribution plan. The contribution paid/ payable under the scheme is recognized during the period in which the employee renders the related service.

Defined Benefit Plan: The Company's employee's gratuity is accounted on accrual basis based on actuarial valuation.

**(j) Taxation**

- i. Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.
- ii. Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the company reassesses unrecognised deferred tax assets, if any.
- iii. Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

### (k) Cash And Cash Equivalents

Cash comprises cash on hand and demand deposit with banks. Cash equivalent are short term deposit, highly liquid investments that are readily convertible into known amount of cash and which are subject to significant rise of change in value.

#### Cash Flow Statement:

Cash flow are reported using the indirect method, whereby profit is adjusted for effect of transactions on non-cash 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 are segregated based on the available information.

### (l) Provision, Contingent Liabilities and Contingent Assets

Provision are recognized for when the company has at present, legal or contractual obligation as a result of past events, only if it is probable that an outflow of resources embodying economic outgo or loss will be required and if the amount involved can be measured reliably.

Contingent liabilities being a possible obligation as a result of past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more future events not wholly in control of the company are not recognised in the accounts. The nature of such liabilities and an estimate of its financial effect are disclosed in notes to the Financial Statements.

Contingent assets are neither recognised nor disclosed in the financial statements.

### (m) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

## Annexure V NOTES TO ACCOUNTS

### ADJUSTMENTS MADE IN RESTATED FINANCIAL STATEMENTS / REGROUPING NOTES

(₹ in Lakhs)

| Particulars   | For the period ended December 31, 2017 | For the year ended March 31, |               |               |               |               |
|---|--|------------------------------|---------------|---------------|---------------|---------------|
|   |  | 2017                         | 2016          | 2015          | 2014          | 2013          |
| <b>PAT As per Audited Financial Statement</b>                         | <b>134.66</b>                          | <b>178.80</b>                | <b>176.25</b> | <b>187.37</b> | <b>189.40</b> | <b>157.93</b> |
| Add/(Less): Income Tax of prior period adjusted                       | -                                      | 0.64                         | (1.10)        | 1.65          | 7.60          | (8.87)        |
| Add/(Less): Gratuity reversed/(provided)                              | -                                      | (0.51)                       | (0.25)        | (0.25)        | (0.26)        | (0.25)        |
| Add: Expenses of prior period reversed                                | 0.26                                   | 0.12                         | 0.21          | 0.44          | 0.28          | 0.49          |
| (Less): Expenses of prior period provided                             | -                                      | (0.26)                       | (0.12)        | (0.21)        | (0.44)        | (0.28)        |
| Add: Depreciation adjustment on introduction of Schedule III restated | -                                      | -                            | -             | 0.47          | -             | -             |
| <b>PAT as per restated Financial Statement</b>                        | <b>134.92</b>                          | <b>178.79</b>                | <b>175.00</b> | <b>189.48</b> | <b>196.58</b> | <b>149.02</b> |

Appropriate adjustments have been made in the restated summary statements, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited financial statements of the Company, prepared in accordance with Schedule III and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 (as amended).



## RESTATEMENT OF EMPLOYEE EXPENSES

(₹ in Lakhs)

| Particulars  | For the period ended December 31, 2017 | For the year ended March 31, |               |                 |                 |                 |
|--|--|------------------------------|---------------|-----------------|-----------------|-----------------|
|  |  | 2017                         | 2016          | 2015            | 2014            | 2013            |
| <b>Employee Expenses as per Audited Financials</b>                       | <b>86.44</b>                           | <b>1,033.20</b>              | <b>602.97</b> | <b>1,097.25</b> | <b>1,617.36</b> | <b>1,232.01</b> |
| (Less): Amount transferred to Direct Expenses                            | -                                      | (941.70)                     | (557.50)      | (1,053.29)      | (1,570.85)      | (1,187.23)      |
| Add: Gratuity expenses included in employee cost                         | -                                      | 0.51                         | 0.25          | 0.25            | 0.26            | 0.25            |
| <b>Employee Expenses as per Restated Financials Financial Statements</b> | <b>86.44</b>                           | <b>92.02</b>                 | <b>45.73</b>  | <b>44.21</b>    | <b>46.78</b>    | <b>45.04</b>    |

## RESTATEMENT OF DEPRECIATION

(₹ in Lakhs)

| Particulars  | For the period ended December 31, 2017 | For the year ended March 31, |             |             |              |              |
|--|--|------------------------------|-------------|-------------|--------------|--------------|
|  |  | 2017                         | 2016        | 2015        | 2014         | 2013         |
| Depreciation as per Audited Financial Statements                 | 6.55                                   | 8.53                         | 8.92        | 10.05       | 12.07        | 14.84        |
| (Less): Amount adjusted for change in the method of Depreciation | -                                      | -                            | -           | (0.47)      | -            | -            |
| <b>Depreciation as per Audited Financial Statements</b>          | <b>6.55</b>                            | <b>8.53</b>                  | <b>8.92</b> | <b>9.58</b> | <b>12.07</b> | <b>14.84</b> |

### Notes:

#### A. Gratuity Provision

During the period ended December 31, 2017 the company has recorded the Gratuity as per the Accounting Standard - 15 'Employee Benefit' The gratuity for the year ended March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016 and March 31, 2017 have been recognized to reflect the consistent accounting policy across all years.

#### B. Income tax expense/(refund)

Consequent to completion of income tax assessment for certain years, the Company paid the additional taxes which was recorded in the year of completion of such assessment. As these were related to earlier years, the same has been accounted for in the financial year to which the amount relates to.

#### 2) Material Regrouping:

Appropriate adjustments have been made in the respective years of Restated Summary Statement of Assets and Liabilities, Restated Summary Statement of Profits and Losses and Restated Summary Statement of Cash Flows, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the regroupings as per the Audited financials of the Company for the year ended March 31, 2017, prepared in accordance with Schedule III, and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 (as amended).

### 3) Application of Revised Schedule VI:

During the year ended 31 March 2012, the Revised Schedule VI notified under the Companies Act, 1956, had become applicable to the Company, for preparation and presentation of its financial statements. Further Schedule III of the Companies Act, 2013, was notified by Ministry of Corporate Affairs effective April 01, 2014. Accordingly, the Company had prepared the financial statements in accordance with Revised Schedule VI / Schedule III (as applicable) of the Act. The adoption of Revised Schedule VI / Schedule III (as applicable) of the Act did not impact recognition and measurement principles followed for preparation of financial statements.

4) There are no audit qualifications, disclaimer of opinion, adverse opinion or emphasis of matter para in respect of financials of last five years of the Company.

### 5) Changes in Accounting Policies in the Last Five Years:

There is no change in accounting policy.

### 6) Dividend Payment:

The Company has not paid any dividend in the last five years.

### 7) Changes in Accounting Period:

There has been no change in the accounting period of the Company.

### 8) Segment Reporting:

Reporting under AS - 17 is not applicable.

### 9) Managerial Remuneration:

(₹ in Lakhs)

| Particulars                       | For the period ended December 31, 2017 | For the year ended March 31, |              |              |              |             |
|-----------------------------------|--|------------------------------|--------------|--------------|--------------|-------------|
|                                   |  | 2017                         | 2016         | 2015         | 2014         | 2013        |
| Whole Time Directors Remuneration |  |                              |              |              |              |             |
| Salaries and Allowances           | 18.00                                  | 12.00                        | 10.20        | 10.20        | 10.20        | 9.12        |
| Sitting Fees                      | -                                      | -                            | -            | -            | -            | -           |
| <b>Total</b>                      | <b>18.00</b>                           | <b>12.00</b>                 | <b>10.20</b> | <b>10.20</b> | <b>10.20</b> | <b>9.12</b> |

### 10) Deferred Tax:

(₹ in Lakhs)

| Particulars  | For the period ended December 31, 2017 | For the year ended March 31, |               |               |               |               |
|--|--|------------------------------|---------------|---------------|---------------|---------------|
|  |  | 2017                         | 2016          | 2015          | 2014          | 2013          |
| <b>Deferred tax liabilities/(assets) arising on account of timing difference in:</b> |  |                              |               |               |               |               |
| Opening Balance  | (0.35)                                 | (0.23)                       | (0.67)        | (0.99)        | (1.21)        | (0.59)        |
| Timing Differences   | (0.48)                                 | (0.12)                       | 0.44          | 0.32          | 0.22          | (0.63)        |
| <b>Closing Balance</b>   | <b>(0.83)</b>                          | <b>(0.35)</b>                | <b>(0.23)</b> | <b>(0.67)</b> | <b>(0.99)</b> | <b>(1.21)</b> |

**11) Remuneration to Statutory Auditors:**
*( ₹ in Lakhs)*

| Particulars          | For the period ended December 31, 2017 | For the year ended March 31, |             |             |             |             |
|----------------------|--|------------------------------|-------------|-------------|-------------|-------------|
|                      |  | 2017                         | 2016        | 2015        | 2014        | 2013        |
| Statutory Audit Fees | 1.00                                   | 0.69                         | 0.69        | 0.73        | 0.73        | 0.73        |
| Tax Audit Fees       | 0.25                                   | 0.73                         | 0.17        | 0.22        | 0.22        | 0.22        |
| Other Matters        | 0.25                                   | -                            | -           | 0.34        | 0.34        | 0.34        |
| <b>Total</b>         | <b>1.50</b>                            | <b>0.86</b>                  | <b>0.86</b> | <b>1.29</b> | <b>1.29</b> | <b>1.29</b> |

**12) Information Regarding Foreign Exchange earnings:**
*( ₹ in Lakhs)*

| Particulars                     | For the Period ended December 31, 2017 | For the year ended March 31, |          |          |          |          |
|---------------------------------|--|------------------------------|----------|----------|----------|----------|
|                                 |  | 2017                         | 2016     | 2015     | 2014     | 2013     |
| Earning in Foreign Exchange     | -                                      | -                            | -        | -        | -        | -        |
| Expenditure in Foreign Exchange | -                                      | -                            | -        | -        | -        | -        |
| <b>Total</b>                    | <b>-</b>                               | <b>-</b>                     | <b>-</b> | <b>-</b> | <b>-</b> | <b>-</b> |

**Annexure VI**
**RESTATED STATEMENT OF SHARE CAPITAL, AS RESTATED**
*( ₹ in Lakhs)*

| Particulars   | As at December 31, 2017 | As at March 31, |               |               |               |               |
|---|-------------------------|-----------------|---------------|---------------|---------------|---------------|
|   |                         | 2017            | 2016          | 2015          | 2014          | 2013          |
| <b>Authorised Share Capital :</b>   |                         |                 |               |               |               |               |
| 20,00,000 Equity Shares of Rs. 10/- each  |                         | 200.00          | 200.00        | 200.00        | 200.00        | 200.00        |
| 40,00,000 Equity Shares of Rs. 10/- each  | 400.00                  |                 |               |               |               |               |
| <b>Total</b>  | <b>400.00</b>           | <b>200.00</b>   | <b>200.00</b> | <b>200.00</b> | <b>200.00</b> | <b>200.00</b> |
| <b>Issued Subscribed and Paid Up Capital :</b>  |                         |                 |               |               |               |               |
| 1395600 Equity Shares of Rs. 10/  |                         |                 |               |               | 139.56        | 139.56        |
| 300000 Equity Shares of Rs. 10/- (Rs.7.5 partly paid up)                              |                         |                 |               | 22.50         | 22.50         | 22.50         |
| 1452050 Equity Shares of Rs 10/   |                         |                 | 145.21        | 145.21        |               |               |
| 20000 Equity Shares of Rs 10/- each partly paid up shares of Rs. 7.50 Per Share       |                         |                 | 1.50          |               |               |               |
| Add: Call paid Rs. 2.5 Per Share during the year                                      |                         |                 | 0.50          |               |               |               |
| 1472050 Equity Shares of Rs. 10/- each fully paid up shares                           |                         | 147.21          |               |               |               |               |
| 2944100 Equity Shares of Rs. 10/- each fully paid up (Including 1472050 bonus shares) | 294.41                  |                 |               |               |               |               |
| 280000 Equity Shares of Rs. 10/- each , partly paid up of Rs. 7.50/- per share        |                         |                 | 21.00         |               |               |               |
| Less: Forfeited during the year due non payment of call money                         |                         |                 | 21.00         |               |               |               |
| <b>Total</b>  | <b>294.41</b>           | <b>147.21</b>   | <b>147.21</b> | <b>167.71</b> | <b>162.06</b> | <b>162.06</b> |

**Reconciliation of number of shares outstanding:**

| Particulars                                 | As at<br>December<br>31, 2017 | As at March 31,     |                     |                     |                     |                     |
|---|-------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|   |                               | 2017                | 2016                | 2015                | 2014                | 2013                |
| <b>Equity Shares</b>                        |                               |                     |                     |                     |                     |                     |
| At the beginning of the year                | 14,72,050                     | 1,472,050.00        | 1,752,050.00        | 1,695,600.00        | 1,695,600.00        | 1,695,600.00        |
| Allotment during the year                   | 14,72,050                     |                     |                     | 56,450              |                     | -                   |
| Forfeiture during the year                  |                               |                     | 280,000             |                     |                     |                     |
| <b>Equity Shares at the end of the year</b> | <b>29,44,100.00</b>           | <b>1,472,050.00</b> | <b>1,472,050.00</b> | <b>1,752,050.00</b> | <b>1,695,600.00</b> | <b>1,695,600.00</b> |

**Annexure VII  
STATEMENT OF RESERVES AND SURPLUS**
*( ₹ in Lakhs )*

| Particulars  | As at<br>December<br>31, 2017 | As at March 31, |                 |                 |                 |               |
|--|-------------------------------|-----------------|-----------------|-----------------|-----------------|---------------|
|  |                               | 2017            | 2016            | 2015            | 2014            | 2013          |
| <b>General Reserve</b>                             |                               |                 |                 |                 |                 |               |
| Balance as per last financial statement            | 211.00                        | 191.00          | 166.00          | 136.00          | 106.00          | 81.00         |
| Amount transferred from surplus                    | 15.00                         | 20.00           | 25.00           | 30.00           | 30.00           | 25.00         |
| <b>Total (a)</b>                                   | <b>226.00</b>                 | <b>211.00</b>   | <b>191.00</b>   | <b>166.00</b>   | <b>136.00</b>   | <b>106.00</b> |
| <b>Security Premium</b>                            |                               |                 |                 |                 |                 |               |
| Balance as per last financial statement            | 199.37                        | 199.37          | 199.37          | 157.03          | 157.03          | 157.03        |
| Additions during the year                          | -                             | -               | -               | 42.34           | -               | -             |
| Less: Bonus Issued During the Year                 | 147.21                        | -               | -               | -               | -               | -             |
| Less: Forfeiture of Partly Paid up Shares          | -                             | -               | -               | -               | -               | -             |
| <b>Total (b)</b>                                   | <b>52.16</b>                  | <b>199.37</b>   | <b>199.37</b>   | <b>199.37</b>   | <b>157.03</b>   | <b>157.03</b> |
| <b>Capital Reserve</b>                             |                               |                 |                 |                 |                 |               |
| Balance as per last financial statement            | 21.00                         | 21.00           | -               | -               | -               | -             |
| Amount transferred from surplus                    | -                             | -               | -               | -               | -               | -             |
| Forfeiture of Partly Paid up Shares                | -                             | -               | 21.00           | -               | -               | -             |
| <b>Total transferred (c)</b>                       | <b>21.00</b>                  | <b>21.00</b>    | <b>21.00</b>    | <b>-</b>        | <b>-</b>        | <b>-</b>      |
| <b>Surplus in the statement of profit and loss</b> |                               |                 |                 |                 |                 |               |
| Balance as per last financial statement            | 1,186.43                      | 1,027.13        | 876.87          | 717.62          | 559.85          | 426.92        |
| Profit for the year                                | 134.92                        | 178.79          | 175.00          | 189.48          | 197.00          | 149.06        |
| Less: Transferred to general reserve               | (15.00)                       | (20.00)         | ( 25.00)        | ( 30.00)        | (30.00)         | (25.00)       |
| Add/(less): Tax Adjustment of earlier years        | -                             | -               | -               | -               | -               | 0.08          |
| Less: Adjustment for Depreciation                  | -                             | -               | -               | ( 0.25)         | -               | -             |
| <b>Total (d)</b>                                   | <b>1,304.82</b>               | <b>1,184.90</b> | <b>1,026.12</b> | <b>876.12</b>   | <b>717.11</b>   | <b>550.53</b> |
| <b>Total Reserves (a + b+ c+ d)</b>                | <b>1,603.98</b>               | <b>1,616.27</b> | <b>1,437.48</b> | <b>1,241.49</b> | <b>1,010.14</b> | <b>813.56</b> |

**Annexure VIII**  
**STATEMENT OF LONG BORROWINGS, AS RESTATED**

(₹ in Lakhs)

| Particulars          | As at<br>December<br>31, 2017 | As at March 31, |              |          |          |          |
|----------------------|-------------------------------|-----------------|--------------|----------|----------|----------|
|                      |                               | 2017            | 2016         | 2015     | 2014     | 2013     |
| Long-term borrowings |                               |                 |              |          |          |          |
| UNSECURED LOANS      |                               |                 |              |          |          |          |
| From Banks           | 60.53                         | 10.42           | 69.76        | -        | -        | -        |
| From others          | 179.58                        | 62.17           | 16.01        | -        | -        | -        |
| <b>Total</b>         | <b>240.11</b>                 | <b>72.59</b>    | <b>85.77</b> | <b>-</b> | <b>-</b> | <b>-</b> |

**Annexure IX**  
**STATEMENT OF OTHER NON-CURRENT LIABILITY, AS RESTATED**

(₹ in Lakhs)

| Particulars                        | As at<br>December<br>31, 2017 | As at March 31, |              |               |              |              |
|------------------------------------|-------------------------------|-----------------|--------------|---------------|--------------|--------------|
|                                    |                               | 2017            | 2016         | 2015          | 2014         | 2013         |
| Retention/security Deposit Payable | 44.73                         | 26.54           | 20.90        | 12.48         | 7.34         | 4.63         |
| Advance against Tender             | 24.92                         | 24.92           | 30.92        | 90.91         | 90.98        | 27.65        |
| Office Rent Deposit                | 1.00                          | -               | -            | -             | -            | -            |
| Gratuity Payable                   | 2.17                          | 1.52            | 1.01         | 0.76          | 0.51         | 0.25         |
| <b>Total</b>                       | <b>72.82</b>                  | <b>52.98</b>    | <b>52.83</b> | <b>104.14</b> | <b>98.83</b> | <b>32.53</b> |

**Annexure X**  
**DEFERRED TAX ASSETS**

(₹ in Lakhs)

| Particulars                            | As at<br>December<br>31, 2017 | As at March 31, |             |             |             |             |
|--|-------------------------------|-----------------|-------------|-------------|-------------|-------------|
|  |                               | 2017            | 2016        | 2015        | 2014        | 2013        |
| Deferred Tax Due to Timing Differences | 0.83                          | 0.35            | 0.23        | 0.67        | 0.99        | 1.21        |
| <b>Total</b>                           | <b>0.83</b>                   | <b>0.35</b>     | <b>0.23</b> | <b>0.67</b> | <b>0.99</b> | <b>1.21</b> |

**Annexure XI**  
**STATEMENT OF SHORT TERM BORROWINGS, AS RESTATED**

(₹ in Lakhs)

| Particulars   | As at<br>December<br>31, 2017 | As at March 31, |                 |               |               |               |
|---|-------------------------------|-----------------|-----------------|---------------|---------------|---------------|
|   |                               | 2017            | 2016            | 2015          | 2014          | 2013          |
| <b><u>Secured Loans ( Working Capital Limits)</u></b>   |                               |                 |                 |               |               |               |
| Cash Credit Limit from Yes Bank   | 1086.37                       | 859.41          | 939.20          | 609.42        | 600.89        | 373.23        |
| (Working capital limits from Yes Bank are secured by hypothecation on entre current assets both present & future, equitable mortgage of office premises and residential properties of director, and further personal guarantee of two directors of the company, limits are repayable on demand) |                               |                 |                 |               |               |               |
| <b><u>Unsecured Loans</u></b>   |                               |                 |                 |               |               |               |
| From related parties  | 3.96                          | 24.25           | 13.12           | 24.64         | 17.69         | 2.12          |
| From others   | -                             | 272.63          | 102.50          | 59.01         | 88.41         | 68.92         |
| From Corporate Bodies   | 248.04                        | 188.75          | -               | -             | -             | -             |
| <b>Total</b>  | <b>1,338.37</b>               | <b>1,345.04</b> | <b>1,054.82</b> | <b>693.07</b> | <b>707.00</b> | <b>444.28</b> |

**Annexure XII**  
**STATEMENT OF TRADE PAYABLE, AS RESTATED**

(₹ in Lakhs)

| Particulars                               | As at<br>December<br>31, 2017 | As at March 31, |                 |                 |                 |               |
|---|-------------------------------|-----------------|-----------------|-----------------|-----------------|---------------|
|   |                               | 2017            | 2016            | 2015            | 2014            | 2013          |
| Trade Payables against Goods and services |                               |                 |                 |                 |                 |               |
| To related party                          | 13.60                         | 5.79            | 23.20           | 23.20           | -               | -             |
| To Others                                 | 825.74                        | 2,664.11        | 1,500.28        | 1,356.88        | 1,005.20        | 748.88        |
| <b>Total</b>                              | <b>839.35</b>                 | <b>2,669.90</b> | <b>1,523.48</b> | <b>1,380.08</b> | <b>1,005.20</b> | <b>748.88</b> |

**Annexure XIII**  
**STATEMENT OF OTHER CURRENT LIABILITIES, AS RESTATED**

(₹ in Lakhs)

| Particulars                          | As at<br>December<br>31, 2017 | As at March 31, |               |              |              |              |
|--------------------------------------|-------------------------------|-----------------|---------------|--------------|--------------|--------------|
|                                      |                               | 2017            | 2016          | 2015         | 2014         | 2013         |
| Current Maturities to Long Term Debt | 203.27                        | 185.67          | 86.57         | -            | -            | 11.38        |
| Outstanding Salary and expenses      | 10.05                         | 6.44            | 10.61         | 6.31         | 3.22         | 0.63         |
| Statutory dues payable               | 40.91                         | 34.30           | 23.01         | 16.62        | 16.64        | 11.85        |
| Rent Deposit                         |                               | -               | 0.38          | -            | -            | 1.00         |
| Prior Period Expenses Payable        |                               | 0.26            | 0.12          | 0.21         | 0.44         | 0.28         |
| Advance from customers               | 49.86                         | 128.35          | -             | -            | -            | 15.99        |
| <b>Total</b>                         | <b>304.10</b>                 | <b>355.02</b>   | <b>120.68</b> | <b>23.14</b> | <b>20.30</b> | <b>41.13</b> |

**Annexure XIV**  
**STATEMENT OF SHORT TERM PROVISIONS, AS RESTATED**

(₹ in Lakhs)

| Particulars               | As at<br>December<br>31, 2017 | As at March 31, |              |              |               |               |
|---------------------------|-------------------------------|-----------------|--------------|--------------|---------------|---------------|
|                           |                               | 2017            | 2016         | 2015         | 2014          | 2013          |
| Provisions for Income Tax | 159.00                        | 177.20          | 86.84        | 85.54        | 164.64        | 119.74        |
| <b>Total</b>              | <b>159.00</b>                 | <b>177.20</b>   | <b>86.84</b> | <b>85.54</b> | <b>164.64</b> | <b>119.74</b> |

**Annexure XV**  
**STATEMENT OF FIXED ASSETS, AS RESTATED**

(₹ in Lakhs)

| Particulars                  | As at<br>December<br>31, 2017 | As at March 31, |              |              |              |              |
|------------------------------|-------------------------------|-----------------|--------------|--------------|--------------|--------------|
|                              |                               | 2017            | 2016         | 2015         | 2014         | 2013         |
| <b>Office Premises</b>       |                               |                 |              |              |              |              |
| Gross Block                  | 12.32                         | 12.33           | 12.33        | 12.33        | 12.33        | 12.33        |
| Addition during the year     |                               | -               | -            | -            | -            | -            |
| Reduction during the year    |                               | -               | -            | -            | -            | -            |
| Written Off due to New Act   |                               | -               | -            | -            | -            | -            |
| Depreciation During the year | 0.26                          | 0.35            | 0.35         | 0.35         | 0.46         | 0.48         |
| Accumulated Depreciation     | 4.87                          | 4.62            | 4.27         | 3.93         | 3.58         | 3.12         |
| <b>Closing Balance</b>       | <b>7.45</b>                   | <b>7.71</b>     | <b>8.05</b>  | <b>8.40</b>  | <b>8.75</b>  | <b>9.21</b>  |
| <b>Machineries</b>           |                               |                 |              |              |              |              |
| Gross Block                  | 89.71                         | 88.37           | 88.37        | 88.37        | 87.01        | 94.97        |
| Addition during the year     | 35.71                         | 1.34            | -            | -            | 1.36         | -            |
| Reduction during the year    |                               | -               | -            | -            | -            | 7.96         |
| Written Off due to New Act   |                               | -               | -            | -            | -            | -            |
| Depreciation During the year | 5.10                          | 6.76            | 6.66         | 6.66         | 8.17         | 9.96         |
| Depreciation on Deletion     |                               |                 |              |              |              | 4.61         |
| Accumulated Depreciation     | 61.73                         | 56.63           | 49.87        | 43.21        | 36.55        | 28.38        |
| <b>Closing Balance</b>       | <b>63.69</b>                  | <b>33.08</b>    | <b>38.50</b> | <b>45.16</b> | <b>51.82</b> | <b>58.63</b> |



| Particulars                            | As at<br>December<br>31, 2017 | As at March 31, |               |               |               |               |
|--|-------------------------------|-----------------|---------------|---------------|---------------|---------------|
|  |                               | 2017            | 2016          | 2015          | 2014          | 2013          |
| <b>Vehicle</b>                         |                               |                 |               |               |               |               |
| Gross Block                            | 35.60                         | 35.60           | 38.00         | 41.18         | 41.18         | 41.18         |
| Addition during the year               |                               | -               |               | -             | -             | -             |
| Reduction during the year              |                               | -               | 2.40          | 3.18          | -             | -             |
| Depreciation During the year           | 0.41                          | 0.54            | 1.39          | 2.08          | 2.85          | 3.85          |
| Adjustment to Opening Reserve          |                               |                 |               | 0.14          |               |               |
| Accumulated Depreciation               | 33.14                         | 32.73           | 32.19         | 33.00         | 33.01         | 30.16         |
| <b>Closing Balance</b>                 | <b>2.46</b>                   | <b>2.87</b>     | <b>3.41</b>   | <b>5.00</b>   | <b>8.16</b>   | <b>11.01</b>  |
| <b>Office Equipments</b>               |                               |                 |               |               |               |               |
| Gross Block                            | 4.30                          | 3.68            | 2.11          | 2.11          | 0.15          | 0.15          |
| Addition during the year               |                               | 0.62            | 1.56          |               | 1.96          | -             |
| Reduction during the year              |                               | -               | -             |               | -             | -             |
| Depreciation During the year           | 0.62                          | 0.78            | 0.52          | 0.41          | 0.24          | 0.02          |
| Accumulated Depreciation               | 2.70                          | 2.08            | 1.30          | 0.78          | 0.29          | 0.05          |
| Adjustment to Opening Reserve          |                               |                 |               | 0.07          |               |               |
| <b>Closing Balance</b>                 | <b>1.60</b>                   | <b>2.22</b>     | <b>2.38</b>   | <b>1.34</b>   | <b>1.82</b>   | <b>0.10</b>   |
| <b>Computer</b>                        |                               |                 |               |               |               |               |
| Gross Block                            | 3.14                          | 3.04            | 2.80          | 2.80          | 2.80          | 2.58          |
| Addition during the year               | 1.09                          | 0.10            | 0.24          |               | -             | 0.22          |
| Reduction during the year              |                               |                 | -             |               | -             | -             |
| Depreciation During the year           | 0.18                          | 0.10            | 0.00          | 0.08          | 0.36          | 0.53          |
| Accumulated Depreciation               | 2.86                          | 2.70            | 2.61          | 2.60          | 2.27          | 1.91          |
| Adjustment to Opening Reserve          |                               |                 |               | 0.26          |               |               |
| <b>Closing Balance</b>                 | <b>1.37</b>                   | <b>0.44</b>     | <b>0.43</b>   | <b>0.19</b>   | <b>0.53</b>   | <b>0.89</b>   |
| <b>Gross Block</b>                     | <b>145.07</b>                 | <b>143.01</b>   | <b>143.61</b> | <b>146.78</b> | <b>143.46</b> | <b>151.20</b> |
| <b>Addition During the year</b>        | <b>36.80</b>                  | <b>2.07</b>     | <b>1.80</b>   | <b>-</b>      | <b>3.32</b>   | <b>0.22</b>   |
| <b>Deletion During The year</b>        |                               | <b>-</b>        | <b>2.40</b>   | <b>3.18</b>   | <b>-</b>      | <b>7.96</b>   |
| <b>Total Depreciation For the Year</b> | <b>6.55</b>                   | <b>8.53</b>     | <b>8.92</b>   | <b>9.58</b>   | <b>12.07</b>  | <b>14.84</b>  |
| <b>Total Accumulated Depreciation</b>  | <b>105.31</b>                 | <b>98.76</b>    | <b>90.23</b>  | <b>83.51</b>  | <b>75.70</b>  | <b>63.62</b>  |
| <b>Net Block</b>                       | <b>76.56</b>                  | <b>46.32</b>    | <b>52.78</b>  | <b>60.10</b>  | <b>71.09</b>  | <b>79.84</b>  |

#### Annexure XVI

#### STATEMENT OF OTHER NON-CURRENT INVESTMENT AS RESTATED

(₹ in Lakhs)

| Particulars   | As at<br>December<br>31, 2017 | As at March 31, |              |              |              |              |
|---|-------------------------------|-----------------|--------------|--------------|--------------|--------------|
|   |                               | 2017            | 2016         | 2015         | 2014         | 2013         |
| Unquoted- Equity Instruments ( valued at cost)            |                               |                 |              |              |              |              |
| 500 Equity shares of Fulars Solar Ltd. Each fully paid up | 0.05                          | 0.05            | 0.05         | 0.05         | 0.05         | 0.05         |
| Sardar sarovar Narmada Bond                               | 30.00                         | 30.00           | 30.00        |              |              |              |
| National Saving Certificate                               | 4.00                          | 4.00            | 4.00         |              |              |              |
| Investments in Joint Ventures                             |                               |                 |              |              |              |              |
| Moksha Constrctions & Giriraj                             | 6.01                          | 6.01            | 6.25         | 6.78         | 4.50         | 4.44         |
| R.K. Madhani & Giriraj                                    | 55.67                         | 54.51           | 54.10        | 51.26        | 41.12        | 51.16        |
| Dev Engineering & Giriraj                                 | 1.72                          | 1.72            | 1.90         | 0.46         |              |              |
| Giriraj- KK   | 0.10                          | 0.10            |              |              |              |              |
| MS-Giriraj-KK   | 5.30                          | 5.28            |              |              |              |              |
| Prime-Giriraj-kk  | 50                            | 47.98           |              |              |              |              |
| <b>Total</b>  | <b>152.92</b>                 | <b>149.65</b>   | <b>96.30</b> | <b>58.55</b> | <b>45.66</b> | <b>55.65</b> |

**Annexure XVII**  
**STATEMENT OF OTHER NON-CURRENT ASSET, AS RESTATED**

(₹ in Lakhs)

| Particulars           | As at<br>December<br>31, 2017 | As at March 31, |               |               |               |               |
|-----------------------|-------------------------------|-----------------|---------------|---------------|---------------|---------------|
|                       |                               | 2017            | 2016          | 2015          | 2014          | 2013          |
| Retention Money       | 345.47                        | 243.54          | 179.46        | 168.97        | 193.21        | 282.06        |
| VAT refundable        | 211.31                        | 38.14           | 20.52         | 119.79        | 43.82         | 59.51         |
| TDS & Income tax      | 34.97                         | 34.97           | 90.70         | 71.96         | 242.17        | 188.97        |
| Public Offer Expenses | 7.762                         | -               | -             | -             | -             | -             |
| <b>Total</b>          | <b>599.52</b>                 | <b>316.64</b>   | <b>290.69</b> | <b>360.72</b> | <b>479.20</b> | <b>530.54</b> |

**Annexure XVIII**  
**STATEMENT OF LONG TERM LOANS & ADVANCES, AS RESTATED**

(₹ in Lakhs)

| Particulars      | As at<br>December<br>31, 2017 | As at March 31, |               |               |               |              |
|------------------|-------------------------------|-----------------|---------------|---------------|---------------|--------------|
|                  |                               | 2017            | 2016          | 2015          | 2014          | 2013         |
| Security Deposit | 1.05                          | 2.12            | 1.41          | 11.88         | 11.68         | 10.33        |
| Tender Deposit   | 457.15                        | 407.73          | 390.36        | 414.88        | 221.38        | 18.68        |
| <b>Total</b>     | <b>458.20</b>                 | <b>409.85</b>   | <b>391.77</b> | <b>426.76</b> | <b>233.06</b> | <b>29.01</b> |

**Annexure XIX**  
**STATEMENT OF INVENTORIES, AS RESTATED**

(₹ in Lakhs)

| Particulars      | As at<br>December<br>31, 2017 | As at March 31, |               |               |               |               |
|------------------|-------------------------------|-----------------|---------------|---------------|---------------|---------------|
|                  |                               | 2017            | 2016          | 2015          | 2014          | 2013          |
| Raw Materials    | 88.13                         | 43.23           | 101.25        | 19.87         | 17.01         | 68.41         |
| Work In Progress | 1,335.95                      | 733.82          | 546.14        | 259.26        | 183.69        | 277.89        |
| <b>Total</b>     | <b>1,424.07</b>               | <b>777.05</b>   | <b>647.39</b> | <b>279.12</b> | <b>200.70</b> | <b>346.30</b> |

**Annexure XX**  
**STATEMENT OF TRADE RECEIVABLES, AS RESTATED**

(₹ in Lakhs)

| Particulars  | As at<br>December<br>31, 2017 | As at March 31, |                 |                 |                 |               |
|--|-------------------------------|-----------------|-----------------|-----------------|-----------------|---------------|
|  |                               | 2017            | 2016            | 2015            | 2014            | 2013          |
| Trade Receivables  |                               |                 |                 |                 |                 |               |
| Outstanding for a period exceeding six months from the date they are due for payment | 1343.26                       | 1579.39         | 621.81          | 68.18           | 23.90           | 3.40          |
| Others Receivables   | 54.55                         | 2274.05         | 1,868.36        | 2,002.85        | 1,554.92        | 681.00        |
| <b>Total</b>   | <b>1,397.82</b>               | <b>3,853.43</b> | <b>2,490.16</b> | <b>2,071.03</b> | <b>1,578.82</b> | <b>684.40</b> |

**Annexure XXI**  
**STATEMENT OF CASH & CASH EQUIVALENTS, AS RESTATED**

(₹ in Lakhs)

| Particulars                      | As at<br>December<br>31, 2017 | As at March 31, |               |               |               |               |
|----------------------------------|-------------------------------|-----------------|---------------|---------------|---------------|---------------|
|                                  |                               | 2017            | 2016          | 2015          | 2014          | 2013          |
| <b>Cash and Cash equivalents</b> |                               |                 |               |               |               |               |
| Cash On Hand                     | 5.01                          | 3.86            | 5.80          | 8.33          | 16.35         | 6.63          |
| Balances with Bank               |                               |                 |               |               |               |               |
| in Current A/C                   | 56.55                         | 4.75            | 34.27         | 13.55         | 46.25         | 204.45        |
| in Fixed Deposit ( Margin Money) | 396.27                        | 413.09          | 201.00        | 193.08        | 300.55        | 339.50        |
| <b>Total</b>                     | <b>457.83</b>                 | <b>421.70</b>   | <b>241.07</b> | <b>214.96</b> | <b>363.15</b> | <b>550.58</b> |

**Annexure XXII**
**STATEMENT OF SHORT TERM LOANS & ADVANCES, AS RESTATED**

(₹ in Lakhs)

| Particulars                          | As at<br>December<br>31, 2017 | As at March 31, |              |              |              |             |
|--------------------------------------|-------------------------------|-----------------|--------------|--------------|--------------|-------------|
|                                      |                               | 2017            | 2016         | 2015         | 2014         | 2013        |
| <b>Short-term loans and advances</b> |                               |                 |              |              |              |             |
| Advance for goods and services       | 27.71                         | 10.87           | 13.44        | 33.33        | 36.12        | 8.34        |
| <b>Total</b>                         | <b>27.71</b>                  | <b>10.87</b>    | <b>13.44</b> | <b>33.33</b> | <b>36.12</b> | <b>8.34</b> |

**Annexure XXIII**
**STATEMENT OF OTHER CURRENT ASSETS, AS RESTATED**

(₹ in Lakhs)

| Particulars                         | As at<br>December<br>31, 2017 | As at March 31, |               |               |               |              |
|-------------------------------------|-------------------------------|-----------------|---------------|---------------|---------------|--------------|
|                                     |                               | 2017            | 2016          | 2015          | 2014          | 2013         |
| Advance recoverable in cash or kind | 4.56                          | 3.53            | 2.24          | 2.24          | 0.21          | 1.37         |
| Prepaid Expenses                    | 2.60                          | 5.16            | 6.54          | 0.45          | 0.38          | 0.81         |
| Tender Deposit                      | 14.80                         | 17.05           | 26.36         | 27.05         | 15.00         | 34.65        |
| Retention Money                     | 45.53                         | 77.65           | 28.67         | 18.82         | 70.06         | -            |
| VAT refundable                      | 17.93                         | 117.20          | 127.06        | 37.09         | 63.90         | 29.64        |
| Income Tax Refundable               | 171.26                        | 229.74          | 94.40         | 104.28        | 9.83          | 9.83         |
| <b>Total</b>                        | <b>256.68</b>                 | <b>450.34</b>   | <b>285.27</b> | <b>189.92</b> | <b>159.39</b> | <b>76.30</b> |

**Annexure XXIV**
**STATEMENT OF REVENUE FROM OPERATIONS, AS RESTATED**

(₹ in Lakhs)

| Particulars                     | For the<br>period<br>ended<br>December<br>31, 2017 | For the year ended March 31, |                 |                 |                 |                 |
|---------------------------------|--|------------------------------|-----------------|-----------------|-----------------|-----------------|
|                                 |  | 2017                         | 2016            | 2015            | 2014            | 2013            |
| Revenue from Contracts          | 3,164.00   | 4,526.78                     | 4,644.00        | 4,612.78        | 5,788.83        | 4,286.99        |
| Revenue From Trade of Goods     | 378.03   | 99.23                        | 289.04          | 424.56          | -               | -               |
| Less: Indirect Taxes and Duties | 187.30   | 143.00                       | 137.17          | 87.99           | 143.11          | 127.96          |
| <b>Total</b>                    | <b>3,354.73</b>                                    | <b>4,483.01</b>              | <b>4,795.88</b> | <b>4,949.34</b> | <b>5,645.72</b> | <b>4,159.04</b> |

**Annexure XXV**
**STATEMENT OF OTHER INCOME, AS RESTATED**

(₹ in Lakhs)

| Particulars                                       | For the<br>period ended<br>December 31,<br>2017 | For the year ended March 31, |              |              |              |              |
|---|---|------------------------------|--------------|--------------|--------------|--------------|
|   |   | 2017                         | 2016         | 2015         | 2014         | 2013         |
| <b>Other Income</b>                               |   |                              |              |              |              |              |
| Interest Received                                 | 35.75   | 42.66                        | 17.87        | 26.24        | 34.25        | 26.77        |
| Rent Received                                     | 1.62  | 2.16                         | 1.28         | -            | 0.12         | 1.56         |
| Share of profit of Joint Venture                  | 3.28  | (3.19)                       | 3.34         | 12.88        | (9.99)       | 29.49        |
| Miscellaneous Income                              |   | -                            | 2.14         | 6.74         | 4.08         | 7.97         |
| Profit on sale of fixed asset                     |   | -                            | 0.97         | 0.22         | -            | -            |
| Dividend received                                 |   | -                            | -            | -            | 0.00         | -            |
| Sundry Balance w/o                                | 3.60  | 2.38                         | -            | -            | -            | -            |
| <b>Other Income as % of Net Profit Before Tax</b> | <b>44.25</b>                                    | <b>44.01</b>                 | <b>25.60</b> | <b>46.08</b> | <b>28.46</b> | <b>65.80</b> |

**Annexure XXVI**  
**STATEMENT OF CONTINGENT LIABILITIES, AS RESTATED**

(₹ in Lakhs)

| Particulars     | As at<br>December<br>31, 2017 | As at March 31, |               |               |               |               |
|-----------------|-------------------------------|-----------------|---------------|---------------|---------------|---------------|
|                 |                               | 2017            | 2016          | 2015          | 2014          | 2013          |
| Bank Guarantees | 1,000.00                      | 915.00          | 650.00        | 450.00        | 650.00        | 408.90        |
| <b>Total</b>    | <b>1,000.00</b>               | <b>915.00</b>   | <b>650.00</b> | <b>450.00</b> | <b>650.00</b> | <b>408.90</b> |

Company has filed legal suit of ₹ 798.00 Lakhs against the Northern Railway Jaipur for termination tender work having Tender No. NWR/SNC/JP.CIKR.CUR/GC/T/3R dated 31/12/2010 and Tender Number NWR/SNC/JP.CIKR.CUR/GC/T/1RR dated 11/02/2011 for construction of minor bridge, return wall, earth work, platform and GC project between Jaipur to Ringas and Sikhar to Luharu, the Tender was terminated due to delayed start of work, but the said delay was on part of Northern Railway due to non-providing of clear site for work and drawing of site work, the said matter is assigned to Arbitrator which was appointed by Rajasthan High Court. The partial award was in favour of the Company, the Company has execution petition before Rajasthan High Court for implementation of Awards. Bank Guarantee of ₹ 204.00 Lakhs was encashed by the Northern Railway against the termination of above tenders.

**Annexure XXVII**  
**STATEMENT OF CAPITALIZATION, AS RESTATED**

(₹ in Lakhs)

| Particular   | Pre Offer<br>(as at December 31,<br>2017) | Post Offer      |
|--|---|-----------------|
| <b>Borrowing</b>                                   |   |                 |
| Short Term Debt                                    | 1,338.37                                  | 1,090.33        |
| Long Term Debt*                                    | 443.38                                    | 443.38          |
| <b>Total Debts (A)</b>                             | <b>1,781.75</b>                           | <b>1,533.71</b> |
| <b>Equity (Shareholder's funds)</b>                |   |                 |
| Equity share capital                               | 294.41                                    | 324.41          |
| Reserve and Surplus                                | 1,603.98                                  | 1,873.98        |
| <b>Total Equity (B)</b>                            | <b>1,898.39</b>                           | <b>2,198.39</b> |
| <b>Long Term Debt / Equity Shareholder's funds</b> | <b>0.23</b>                               | <b>0.20</b>     |
| <b>Total Debts / Equity Shareholder's funds</b>    | <b>0.94</b>                               | <b>0.70</b>     |

\* Includes Current maturities of long term borrowings.

**Note:**

- The above has been computed on the basis of Restated Financials of the Company.

**Annexure XXVIII**  
**STATEMENT OF ACCOUNTING RATIOS, AS RESTATED**

(₹ in Lakhs)

| Particulars  | For the<br>period<br>ended<br>December<br>31, 2017 | For the year ended March 31, |           |           |           |           |
|--|--|------------------------------|-----------|-----------|-----------|-----------|
|  |  | 2017                         | 2016      | 2015      | 2014      | 2013      |
| Restated PAT as per P & L Account                                      | 134.92   | 178.79                       | 175.00    | 189.48    | 196.58    | 149.02    |
| Actual Number of Equity Shares outstanding at the end of the year**    | 29,44,100  | 14,72,050                    | 14,72,050 | 16,77,050 | 16,20,600 | 16,20,600 |
| Equivalent Weighted Avg number of Equity Shares at the end of the year | 29,44,100  | 29,44,100                    | 30,34,360 | 33,17,137 | 32,41,200 | 32,41,200 |
| Reserves & Surplus   | 1,603.98   | 1,616.27                     | 1,437.48  | 1,241.49  | 1,010.14  | 813.56    |
| Net Worth  | 1,890.63   | 1,763.48                     | 1,584.69  | 1,409.19  | 1,172.20  | 975.62    |

| <b>Earnings Per Share:</b>   |       |        |        |        |        |        |
|--|-------|--------|--------|--------|--------|--------|
| Basic & Diluted*   | 4.58  | 6.07   | 5.77   | 5.71   | 6.07   | 4.60   |
| Return on Net Worth (%)  | 7.14% | 10.14% | 11.04% | 13.45% | 16.77% | 15.27% |
| Net Asset Value Per Share (Rs) – based on actual no. of equity shares at the end of the year | 64.22 | 119.80 | 107.65 | 84.03  | 72.33  | 60.20  |
| Nominal Value per Equity share (Rs.)   | 10.00 | 10.00  | 10.00  | 10.00  | 10.00  | 10.00  |

\* Not Annualised

\*\* Assuming proportionate No. of shares, according to amount paid on such partly paid –up share

Notes to Accounting Ratios:

10) The Ratios have been computed as follows:

|   |   |
|---|---|
| a) Basic Earnings Per Share (₹)         | Net Profit After Tax as restated  |
|   | -----<br>Weighted Average Number of Equity Shares outstanding during the year |
| b) Return on Net worth (%)              | Net Profit after Tax as restated  |
|   | ----- * 100<br>Net Worth  |
| c) Net Asset Value Per Equity Share (₹) | Net Worth   |
|   | -----<br>No. Of Equity shares outstanding at the end of the year              |

2) Weighted average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the year adjusted by the number of Equity Shares issued during 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 year.

3) The Calculation of Earnings Per Share (EPS) as disclosed in the Profit and Loss Account has been made in accordance with Accounting Standard (AS – 20) on Earnings Per Share issued by the Institute of Chartered Accountants of India.

4) As there is no dilutive capital in the company, Basic and Diluted EPS are similar.

5) The above Ratios have been computed on the basis of the Restated Financial Information for the respective year.

The above statements should be read with the Notes to Restated Financial Statements.

#### **Annexure XXIX**

#### **STATEMENT OF RELATED PARTY TRANSACTIONS, AS RESTATED**

As per Accounting Standard 18 on related party disclosure issue by the Institute of Chartered Accountants of India, the Company's related parties are disclosed below:

(i) Key Managerial Personnel & Relatives

| For the period ended December 31, 2017 | For the year ended March 31, |             |             |             |             |
|--|------------------------------|-------------|-------------|-------------|-------------|
|  | 2017                         | 2016        | 2015        | 2014        | 2013        |
| Mahesh Shah                            | Mahesh Shah                  | Mahesh Shah | Mahesh Shah | Mahesh Shah | Mahesh Shah |
| Mamta Shah                             | Mamta Shah                   | Mamta Shah  | Mamta Shah  | Mamta Shah  | Mamta Shah  |
| Krushang Shah                          |                              |             |             |             |             |

## (ii) Relatives of KMP

| For the period ended December 31, 2017 | For the year ended March 31, |               |               |               |               |
|--|------------------------------|---------------|---------------|---------------|---------------|
|  | 2017                         | 2016          | 2015          | 2014          | 2013          |
| -                                      | Krushang Shah                | Lavgaben Shah | Lavgaben Shah | Hetal Shah    | Lavgaben Shah |
| -                                      | -                            | Krushang Shah | -             | Lavgaben Shah | -             |

## (iii) Associates / Enterprises over which directors and / or their relatives has significant influence

| For the period ended December 31, 2017 | For the year ended March 31,    |                        |                      |                      |                     |
|--|---------------------------------|------------------------|----------------------|----------------------|---------------------|
|  | 2017                            | 2016                   | 2015                 | 2014                 | 2013                |
| Giriraj Corporation                    | Giriraj Corporation             | Giriraj Corporation    | Giriraj Corporation  | Giriraj Corporation  | Giriraj Corporation |
| Darshita Enterprises                   | Darshita Enterprises            | Darshita Enterprises   | Darshita Enterprises | Darshita Enterprises | Arvind Enterprises  |
| Krushang Enterprises                   | Krushang Enterprises            | Jinalaya Infratech Pvt | Krushang Enterprises | Krushang Enterprises | Resal Corporation   |
| Arvind Enterprises                     | Arvind Enterprises              | Krushang Corporation   | Arvind Enterprises   | Arvind Enterprises   | -                   |
| Jinalaya Infratech Pvt. limited        | Jinalaya Infratech Pvt. limited | Arvind Enterprises     | -                    | -                    | -                   |

## Joint Ventures

Moksha Construction-Giriraj Civil Developers Limited,  
R.K.Madani- Giriraj Civil Developers Limited,  
M.S. Enterprise- Giriraj Civil Developers Limited-K.K. Engineering,  
Prime Enterprises- Giriraj Civil Developers Limited- K.K. Engineering

## (iv) Particulars of Transactions with Related Parties

## Key Management Personnel/ Board of Directors

(₹ in Lakhs)

| Particulars                  | As at December 31, 2017 | For the year ended March 31, |        |       |       |       |
|------------------------------|-------------------------|------------------------------|--------|-------|-------|-------|
|                              |                         | 2017                         | 2016   | 2015  | 2014  | 2013  |
| <b>1) Finance</b>            |                         |                              |        |       |       |       |
| Loan Taken                   | 207.00                  | 53.50                        | 141.65 | 13.00 | 30.00 | 11.00 |
| Repayment of Loan taken      | 210.00                  | 57.65                        | 146.80 | 7.75  | 28.50 | 11.00 |
| Loan Given                   | -                       | -                            | -      | -     | -     | -     |
| Repayment of Loan given      | -                       | -                            | -      | -     | -     | -     |
| <b>2) Expenses</b>           |                         |                              |        |       |       |       |
| Interest Paid                | 0.67                    | -                            | 8.26   | 0.08  | 0.88  | 0.07  |
| Directors Remuneration       | 18.00                   | 12.00                        | 12.00  | 10.20 | 10.20 | 9.12  |
| Salaries to relatives of KMP | -                       | 12.00                        | 9.00   | 0.75  | 1.77  | -     |
| <b>3) Out standing</b>       |                         |                              |        |       |       |       |
| Receivables                  | -                       | -                            | -      | -     | 7.00  | 10.00 |
| Payables                     | 5.30                    | 12.43                        | 20.64  | 14.01 | 3.35  | 0.95  |

## Associate Companies / Entities/HUFs

(₹ in Lakhs)

| Particulars | For the | For the year ended March 31, |
|-------------|---------|------------------------------|
|-------------|---------|------------------------------|

|                         | period ended<br>December<br>31, 2017 | 2017   | 2016   | 2015   | 2014   | 2013  |
|-------------------------|--------------------------------------|--------|--------|--------|--------|-------|
| <b>1) Sales</b>         |                                      |        |        |        |        |       |
| Goods                   | -                                    | 70.48  | 210.18 | 98.39  | -      | -     |
| Labour contract payment | -                                    | -      | -      | 7.80   | -      | -     |
| Sub contract payment    | 16.03                                | 5.44   | -      | 25.54  | 54.94  | -     |
| <b>2) Finance</b>       |                                      |        |        |        |        |       |
| Opening Balance         | -                                    | -      | -      | -      | -      | 13.58 |
| Loan Taken              | -                                    | 103.79 | 10.00  | 123.00 | 113.00 | 12.50 |
| Repayment of Loan taken | 17.89                                | 117.79 | 25.50  | 123.00 | 101.25 | -     |
| Interest paid           | -                                    | -      | 1.89   | 1.80   | 4.51   | 0.43  |
| <b>3) Purchases</b>     |                                      |        |        |        |        |       |
| Goods                   | -                                    | -      | -      | -      | 38.47  | -     |
| <b>4) Advance</b>       |                                      |        |        |        |        |       |
| Received                |                                      |        |        |        | 0.50   |       |
| Paid                    |                                      |        |        |        | 0.50   |       |
| <b>5) Out standing</b>  |                                      |        |        |        |        |       |
| Receivables             | -                                    | 103.32 | 67.74  | -      | -      | -     |
| Payables                | 13.60                                | 21.39  | 6.00   | 39.61  | 16.30  | 1.51  |

#### CHANGES IN ACCOUNTING POLICIES IN THE LAST THREE YEARS

There has been no change in the Accounting Policies in the last three (3) years.

#### CHANGES IN ACCOUNTING PERIOD

There has been no change in the accounting period of the Company.

#### Annexure – XXX

#### STATEMENT OF TAX BENEFIT

(₹ in Lakhs)

| Particulars  | As at<br>December<br>31, 2017 | For the year ended March 31, |               |               |               |               |
|--|-------------------------------|------------------------------|---------------|---------------|---------------|---------------|
|  |                               | 2017                         | 2016          | 2015          | 2014          | 2013          |
| <b>Tax Rates</b>   |                               |                              |               |               |               |               |
| Income Tax Rate (%) (A)  | 33.06%                        | 33.06%                       | 33.06%        | 32.45%        | 32.45%        | 32.45%        |
| Minimum Alternate Tax Rate (%)   | 20.39%                        | 20.39%                       | 20.39%        | 20.00%        | 20.00%        | 20.00%        |
| <b>Restated Income before tax as per books (A)</b>                         | <b>202.44</b>                 | <b>269.67</b>                | <b>262.28</b> | <b>275.34</b> | <b>298.99</b> | <b>219.64</b> |
| <b>Incomes considered separately</b>                                       |                               |                              |               |               |               |               |
| Rental Income  | 1.62                          | 2.16                         | 1.28          | -             | 0.12          | 1.56          |
| <b>Total Incomes considered separately (B)</b>                             | <b>1.62</b>                   | <b>2.16</b>                  | <b>1.28</b>   | <b>-</b>      | <b>0.12</b>   | <b>1.56</b>   |
| <b>Exempted Income</b>   |                               |                              |               |               |               |               |
| Share of profit Exempted u/s 10(2A)  | 3.28                          | (3.19)                       | 3.34          | 12.88         | 6.71          | 29.49         |
| <b>Exempt Income (C)</b>   | <b>3.28</b>                   | <b>(3.19)</b>                | <b>3.34</b>   | <b>12.88</b>  | <b>6.71</b>   | <b>29.49</b>  |
| <b>Restated Profit other than income considered separately (D)=(A-B-C)</b> | <b>197.54</b>                 | <b>270.70</b>                | <b>257.66</b> | <b>262.46</b> | <b>292.16</b> | <b>188.58</b> |
| <b>Tax Adjustment</b>  |                               |                              |               |               |               |               |
| <b>Permanent Differences</b>   |                               |                              |               |               |               |               |
| Loss on sale of machinery  |                               |                              |               |               |               | 1.85          |
| Provident Fund Payable   |                               |                              | 0.30          | 0.36          | 0.23          | 0.06          |
| Professional Tax   |                               |                              |               |               | 0.01          | 0.03          |
| Prior Period Expenses  | 0.26                          | 0.12                         | 0.21          | 0.44          | 0.28          | 0.49          |



| Particulars   | As at<br>December<br>31, 2017 | For the year ended March 31, |               |               |               |               |
|---|-------------------------------|------------------------------|---------------|---------------|---------------|---------------|
|   |                               | 2017                         | 2016          | 2015          | 2014          | 2013          |
| Other Expenses Disallowed                             | 0.14                          | 0.38                         | 0.12          |               | 0.01          | 0.19          |
| Penalties   |                               |                              |               |               | 0.71          |               |
| Int on TDS  | 4.50                          | 1.78                         | 1.58          | 1.70          | 1.10          |               |
| Expenses Disallowed U/s 14A                           |                               |                              | 0.00          | 0.00          | 0.00          |               |
| Profit on sale of assets                              |                               |                              | 0.97          | 0.22          |               |               |
| Expenses Disallowed U/s 40(a)(ia)                     |                               |                              | 0.29          |               |               |               |
| <b>Total Permanent Differences (D)</b>                | <b>4.90</b>                   | <b>2.28</b>                  | <b>3.47</b>   | <b>2.71</b>   | <b>2.35</b>   | <b>2.61</b>   |
| <b>Timing Differences</b>                             |                               |                              |               |               |               |               |
| Depreciation as per Income Tax                        | (5.70)                        | (8.22)                       | (9.18)        | (10.69)       | (12.75)       | (15.75)       |
| Depreciation as per Books                             | 6.55                          | 8.53                         | 8.92          | 9.58          | 12.07         | 14.84         |
| Gratuity Expenses                                     | 0.66                          | 0.51                         | 0.25          | 0.25          | 0.26          | 0.25          |
| <b>Total Timing Differences (E)</b>                   | <b>1.51</b>                   | <b>0.81</b>                  | <b>(0.00)</b> | <b>(0.86)</b> | <b>(0.42)</b> | <b>(0.67)</b> |
| <b>Income From Business or Profession (F)=(C+D+E)</b> | <b>203.95</b>                 | <b>273.80</b>                | <b>261.12</b> | <b>264.31</b> | <b>294.09</b> | <b>190.53</b> |
| <b>Income From House Property (G)</b>                 |                               |                              |               |               |               |               |
| Rent Received   | 1.62                          | 2.16                         | 1.28          | -             | 0.12          | 1.56          |
| Less: Property Tax                                    | 0.03                          |                              |               |               | 0.01          | 0.02          |
| Less: Standard Deductions                             | 0.49                          | 0.65                         | 0.38          | -             | 0.04          | 0.46          |
| <b>Taxable income from house property (G)</b>         | <b>1.13</b>                   | <b>1.51</b>                  | <b>0.89</b>   | <b>-</b>      | <b>0.08</b>   | <b>1.10</b>   |
| <b>Taxable Income/(Loss) (F+G)</b>                    | <b>205.09</b>                 | <b>275.31</b>                | <b>262.02</b> | <b>264.31</b> | <b>294.09</b> | <b>190.53</b> |
|   |                               |                              |               |               |               |               |
| <b>Net Taxable Income</b>                             | <b>205.09</b>                 | <b>275.31</b>                | <b>262.02</b> | <b>264.31</b> | <b>294.09</b> | <b>190.53</b> |
| <b>Tax on Total Income</b>                            | <b>67.80</b>                  | <b>91.02</b>                 | <b>86.62</b>  | <b>85.76</b>  | <b>95.42</b>  | <b>61.82</b>  |
| <b>MAT on Book Profit</b>                             | <b>40.61</b>                  | <b>55.64</b>                 | <b>52.80</b>  | <b>52.49</b>  | <b>58.46</b>  | <b>38.03</b>  |
| Tax paid as per normal or MAT                         | -                             | Normal                       | Normal        | Normal        | Normal        | Normal        |
| Total Tax as per Return                               | -                             | 91.07                        | 85.96         | 85.54         | 100.91        | 62.42         |

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*You should read the following discussion and analysis of financial condition and results of operations together with our financial statements included in this Prospectus. The following discussion relates to our Company and is based on our restated financial statements. Our financial statements have been prepared in accordance with Indian GAAP, the accounting standards and other applicable provisions of the Companies Act.*

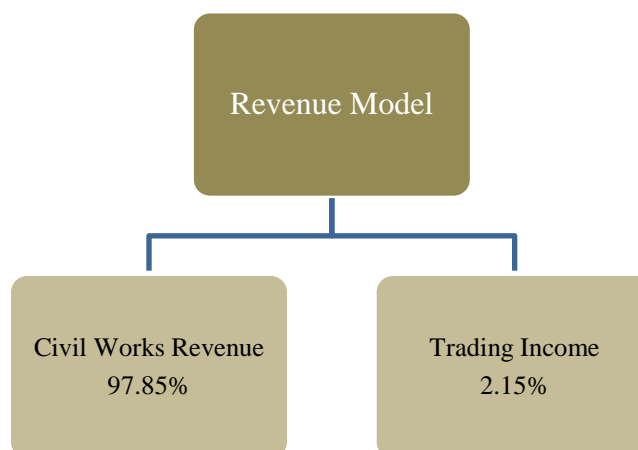
*Note: Statement in the Management Discussion and Analysis Report describing our objectives, outlook, estimates, expectations or prediction may be "Forward looking statement" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to our operations include, among others, economic conditions affecting demand/supply and price conditions in domestic and overseas market in which we operate, changes in Government Regulations, Tax Laws and other Statutes and incidental factors.*

### BUSINESS OVERVIEW

Our company was incorporated on October 19, 2005 as 'Giriraj Civil Developers Private Limited' with an aim to provide infrastructure and construction services. After receiving our certificate of incorporation, we took over the running business of our promoter, 'Giriraj Enterprises', a sole proprietorship on February 20, 2006. For further details please refer to "History and certain corporate matters" beginning on page no. 103 of this Prospectus. On January 22, 2018, we converted our company into public limited company.

We are a civil works contracting and engineering company. Our current concentration is on the Railway sector projects, where we undertake a wide scope of work which includes construction of foot over bridges, platform extensions; sick line sheds, stabling lines etc. However, we have not limited ourselves to the railways and also venture into other infrastructural projects for government / semi-government bodies like MCGM and MRVC and for various private players. Most of our projects undertaken are in the states of Maharashtra and Gujarat. Our company has successfully completed several projects since inception in 2005 and currently has 21 ongoing projects.

Our Company's revenue model includes projects undertaken as direct Contract from various government, semi-government and private parties, sub-contracting for other infrastructure companies and also trading of certain construction material. Our Company is also engaged in trading activities, wherein we trade construction materials, mainly steel and cement. The below chart explains our revenue model (figures are based on the financial year 2016-17):



Over the years, we have evolved into an organisation with a progressive outlook and a professional approach. We strive to provide innovative, integrated and customised solutions to our clients as per their specific needs. We have positioned ourselves as a professional, reliable and safe service provider in construction and infrastructure service area.

While we execute majority of our projects independently, we have entered into certain project specific Joint Ventures (JV) and consortiums with other infrastructure and construction companies. These JVs are generally entered to fulfil the eligibility requirements of a particular project like requirement of particular experience, financial resources, local presence, etc. Currently, we have entered into joint ventures for our project executions, details of which are mentioned under "Our Business" chapter on page no. 84 of this Prospectus.

We compete against our competitors by establishing ourselves with following strengths:

- Experienced Management Team:
- An established execution track record
- Engineering expertise, access to large fleet of sophisticated equipment and experienced employee base
- Strong Client Base

#### **Significant Developments after December 31, 2017 that may affect our Future Results of Operations**

The Directors confirm that there have been no events or circumstances since the date of last financial statements as disclosed in this Prospectus which materially or adversely affect or is likely to affect the profitability of our company, or the value of our assets, or our ability to pay liabilities within next twelve months.

#### **FACTORS AFFECTING OUR RESULT OF OPERATIONS**

Except as otherwise stated in the prospectus and the Risk Factors given in the Prospectus, the following important factors could cause actual results to differ materially from the expectations include, among others:

##### **Revenue Generation**

We earn our majority of our revenue from civil works. Since we continuously endeavour to provide quality in our services to our customers therefore, our revenues are impacted by such quality offering.

##### **Our ability to successfully implement its strategy and its growth and expansion plans**

Our growth plans are considerable and would put significant demands on our management team and other resources. Any delay in implementation of our strategy and growth and expansion plans could impact our Company's roll out schedules and cause cost and time over runs.

##### **General economic and business conditions**

We are affected by general economic conditions in the country and in particular economic factors that affect debt syndication industry in India. India's gross domestic product, or GDP, has been and will continue to be of importance in determining our operating results and future growth.

## RESULTS OF OUR OPERATIONS

(₹ in Lakhs)

| Particulars                                | As at<br>December<br>31, 2017 | % of Total<br>Income | For the year ended March 31, |                      |                 |                      |                 |                      |                 |                      |
|--|-------------------------------|----------------------|------------------------------|----------------------|-----------------|----------------------|-----------------|----------------------|-----------------|----------------------|
|  |                               |                      | 2017                         | % of Total<br>Income | 2016            | % of Total<br>Income | 2015            | % of Total<br>Income | 2014            | % of Total<br>Income |
| <b>INCOME:</b>                             |                               |                      |                              |                      |                 |                      |                 |                      |                 |                      |
| Revenue from<br>Operations(Net)            | 3,354.73                      | 98.70%               | 4,483.01                     | 99.03%               | 4,795.88        | 99.47%               | 4,949.34        | 99.08%               | 5,645.72        | 99.50%               |
| Other Income                               | 44.25                         | 1.30%                | 44.01                        | 0.97%                | 25.60           | 0.53%                | 46.08           | 0.92%                | 28.46           | 0.50%                |
| <b>Total income</b>                        | <b>3,398.98</b>               | <b>100.00%</b>       | <b>4,527.02</b>              | <b>100.00%</b>       | <b>4,821.48</b> | <b>100.00%</b>       | <b>4,995.42</b> | <b>100.00%</b>       | <b>5,674.18</b> | <b>100.00%</b>       |
| <b>EXPENSES</b>                            |                               |                      |                              |                      |                 |                      |                 |                      |                 |                      |
| Cost Of Material<br>Consumed               | 2,942.19                      | 86.56%               | 3,047.15                     | 67.31%               | 4,044.84        | 83.89%               | 3,573.90        | 71.54%               | 3,429.42        | 60.44%               |
| Direct Expenses                            | 521.51                        | 15.34%               | 1,034.13                     | 22.84%               | 570.86          | 11.84%               | 1,064.28        | 21.31%               | 1,685.91        | 29.71%               |
| Changes in<br>inventories                  | (602.13)                      | (17.71)%             | (187.68)                     | (4.15)%              | (286.88)        | (5.95)%              | (75.57)         | (1.51)%              | 94.21           | 1.66%                |
| Employee benefits<br>expense               | 86.44                         | 2.54%                | 92.02                        | 2.03%                | 45.73           | 0.95%                | 44.21           | 0.88%                | 46.78           | 0.82%                |
| Depreciation and<br>amortization expense   | 6.55                          | 0.19%                | 8.53                         | 0.19%                | 8.92            | 0.19%                | 9.58            | 0.19%                | 12.07           | 0.21%                |
| Finance cost                               | 207.41                        | 6.10%                | 231.59                       | 5.12%                | 156.60          | 3.25%                | 91.12           | 1.82%                | 87.27           | 1.54%                |
| Other Expenses                             | 34.57                         | 1.02%                | 31.62                        | 0.70%                | 19.14           | 0.40%                | 12.56           | 0.25%                | 19.52           | 0.34%                |
| <b>Total expenses</b>                      | <b>3,196.54</b>               | <b>94.04%</b>        | <b>4,257.35</b>              | <b>94.04%</b>        | <b>4,559.21</b> | <b>94.56%</b>        | <b>4,720.08</b> | <b>94.49%</b>        | <b>5,375.18</b> | <b>94.73%</b>        |
| <b>Net Profit / (Loss)<br/>before Tax</b>  | <b>202.44</b>                 | <b>5.96%</b>         | <b>269.67</b>                | <b>5.96%</b>         | <b>262.28</b>   | <b>5.44%</b>         | <b>275.34</b>   | <b>5.51%</b>         | <b>298.99</b>   | <b>5.27%</b>         |
| Less: Tax expense                          |                               |                      |                              |                      |                 |                      |                 |                      |                 |                      |
| Current tax                                | 68.00                         | 2.00%                | 91.00                        | 2.01%                | 86.84           | 1.80%                | 85.54           | 1.71%                | 102.19          | 1.80%                |
| Deferred tax (assets)/<br>liabilities      | (0.48)                        | (0.01)%              | (0.12)                       | -                    | 0.44            | 0.01%                | 0.32            | 0.01%                | 0.22            | -                    |
| Total Tax Expense                          | 67.52                         | 1.99%                | 90.88                        | 2.01%                | 87.28           | 1.81%                | 85.86           | 1.72%                | 102.41          | 1.80%                |
| <b>Net Profit / ( Loss )<br/>after tax</b> | <b>134.92</b>                 | <b>3.97%</b>         | <b>178.79</b>                | <b>3.95%</b>         | <b>175.00</b>   | <b>3.63%</b>         | <b>189.48</b>   | <b>3.79%</b>         | <b>196.58</b>   | <b>3.46%</b>         |

## **Main Components of our Profit and Loss Account**

### **Income**

Our total income comprises of revenue from operations and other income.

#### *Revenue from Operations*

Our revenue from operations as a percentage of total income was 99.03%, 99.47%, 99.08% and 99.50% respectively, for the fiscals 2017, 2016, 2015 and 2014 and 98.70% for nine months period ended December 31, 2017.

#### *Other Income*

Our other income comprises of interest income, rent received, share of profit from joint ventures etc. Other income, as a percentage of total income was 0.97%, 0.53%, 0.92% and 0.50% respectively, for fiscals 2017, 2016, 2015 and 2014 and 1.30% for nine months period ended December 31, 2017.

### **Expenditure**

Our total expenditure primarily consists of cost of material consumed/ traded, direct expenses, Employee Benefit Expenses, Finance costs, Depreciation & Amortisation Expenses and Other Expenses.

#### *Cost of material consumed/ traded*

Costs of purchases are primarily in relation to purchases of Raw Material, purchase of traded goods.

#### *Direct Expenses*

Direct expenses includes contract labour payment, hire charges, fabrication charges, electricity expenses etc.

#### *Employee Benefit Expenses*

Expenses in relation to employees' remuneration and benefits include salary & wages, director's remuneration, contribution to PF& ESIC, Contribution to Gratuity, staff welfare expenses etc.

#### *Finance costs*

Finance cost primarily consists of borrowing costs and interest payable on loans availed by our company from banks & financial institutions and other entities and also includes bank charges.

#### *Depreciation and Amortization Expenses*

Depreciation and Amortization Expenses primarily consist of depreciation on the fixed assets of our Company which primarily includes Machinery, Office equipment, Vehicles and Computer & Peripherals etc.

#### *Other Expenses*

Other expenses primarily include professional and legal charges, Insurance Charges, Repair and Maintenance Charges, Rent, Rates& Taxes and Travelling & Conveyance etc.

#### *Provision for Tax*

The provision for current taxation is computed in accordance with relevant tax regulation. Deferred tax is recognized on timing differences between the accounting and the taxable income for the year and quantified using the tax rates and laws enacted or subsequently enacted as on balance sheet date. Deferred tax assets are recognized and carried forward to the extent that there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized in future.

## Review for the nine (9) months period ended December 31, 2017

### *Income*

Our total income for the nine months period ended December 31, 2017 was ₹ 3,398.98 Lakhs. In the current period, the revenue earned from operations is ₹ 3,354.73 Lakhs or 98.70% of the total income. Other income for said period was recorded at ₹ 44.25 Lakhs or 1.30% of total income.

### *Cost of material consumed /traded*

Our cost of material consumed/traded for the nine months period ended December 31, 2017 was ₹ 2,942.19 Lakhs which as a proportion of our total income was 86.56%.

### *Direct Expenses*

Our direct expenses for the nine months period ended December 31, 2017 was ₹ 521.51 Lakhs i.e. 15.34% of the total income.

### *Employee Benefit Expenses*

Our Employee Benefit Expenses for the nine months period ended December 31, 2017 were ₹ 86.44 Lakhs. As a proportion of our total income they were 2.54%.

### *Financial Cost*

Our Financial Cost for the nine months period ended December 31, 2017 was ₹ 207.41 lakhs i.e. 6.10% of the total income for the period.

### *Depreciation and Amortization Expenses*

Our Depreciation and Amortization Expenses for the nine months period ended December 31, 2017 was ₹ 6.55 Lakhs. As a proportion of total income they were 0.19%.

### *Other Expenses*

Our Other Expenses for the nine months period ended December 31, 2017 ₹ 34.57 Lakhs. As a proportion of our total income they were 1.02%.

### *Profit before Tax*

Profit / (Loss) before Tax for the nine months period ended December 31, 2017 were ₹ 202.44 Lakhs.

### *Profit after Tax*

Profit / (Loss) after Tax for the nine months period ended December 31, 2017 were ₹ 134.92 Lakhs.

## Fiscal 2017 compared with fiscal 2016

### *Income*

In fiscal 2017, our total income decreased by ₹ 294.46 Lakhs or 6.11%, from ₹ 4,821.48 Lakhs in fiscal 2016 to ₹ 4,527.02 Lakhs in fiscal 2017. The decrease in the year 2017 was due to decrease in the revenue from operations as compared to last year.

Revenue from Operations decreased by ₹ 312.87 Lakhs or 6.52%, from ₹ 4,795.88 Lakhs in fiscal 2016 to ₹ 4,483.01 Lakhs in fiscal 2017.

Other Income increased by ₹ 18.41 Lakhs or 71.90%, from ₹ 25.60 Lakhs in fiscal 2016 to ₹ 44.01 Lakhs in fiscal 2017. The major factor for such increase was due to rise in interest income.

#### *Cost of material consumed/ traded*

The cost of material consumed/ traded in fiscal 2017 was ₹ 3,047.15 Lakhs, a decrease in of ₹ 997.70 Lakhs or 24.67% as compared to the previous year cost of material consumed/ traded of ₹ 4,044.84 Lakhs in fiscal 2016.

#### *Direct Expenses*

Direct expenses increased by ₹ 463.28 Lakhs or 81.15%, from ₹ 570.86 Lakhs in fiscal 2016 to ₹ 1,034.13 Lakhs in fiscal 2017. The major factor for such increase was due to increase in labour payments.

#### *Employee Benefit Expenses*

Our staff cost increased by ₹ 46.29 Lakhs or 101.23%, from ₹ 45.73 Lakhs in fiscal 2016 to ₹ 92.02 Lakhs in fiscal 2017. This increase was mainly due to increase in salaries and wages.

#### *Finance Cost*

Finance cost during the year increased by ₹ 74.99 Lakhs or 47.89%, from ₹ 156.60 Lakhs in fiscal 2016 to ₹ 231.59 Lakhs in fiscal 2017. The increase was due to increase in the borrowing of the company.

#### *Depreciation and Amortization Expenses*

Depreciation expenses were decreased by ₹ 0.40 Lakhs or 4.43% from ₹ 8.92 Lakhs in fiscal 2016 to ₹ 8.53 Lakhs in fiscal 2017.

#### *Other Expenses*

Other expenses increased by ₹ 12.49 Lakhs or 65.25% from ₹ 19.14 Lakhs in fiscal 2016 to ₹ 31.62 Lakhs in fiscal 2017. The increase was due to increase in insurance charges, security charges etc incurred in fiscal 2017.

#### *Profit before Tax*

Our Profit before tax increased by ₹ 7.39 Lakhs or 2.82% from ₹ 262.28 Lakhs in fiscal 2016 to ₹ 269.67 Lakhs in fiscal 2017. The increase was due to operational efficiency.

#### *Profit after Tax*

After accounting for taxes at applicable rates, our Profit after Tax increased by ₹ 3.79 Lakhs or 2.17 %, from ₹ 175.00 Lakhs in fiscal 2016 to ₹ 178.79 Lakhs in fiscal 2017.

### **Fiscal 2016 compared with fiscal 2015**

#### *Income*

In fiscal 2016, our total income decreased by ₹ 173.94 Lakhs or 3.48%, from ₹ 4,995.42 Lakhs in fiscal 2015 to ₹ 5,672.18 Lakhs in fiscal 2016. The decrease in the year 2016 was due to decrease in revenue from operations as compared to last year.

Revenue from Operations decreased by ₹ 153.46 Lakhs or 3.10%, from ₹ 4,949.34 Lakhs in fiscal 2015 to ₹ 4,795.88 Lakhs in fiscal 2016.

Other Income decreased by ₹ 20.48 Lakhs or 44.44%, from ₹ 46.08 Lakhs in fiscal 2015 to ₹ 25.60 Lakhs in fiscal 2016. The decrease in the other income was due to decrease in interest income.

#### *Cost of material consumed/ traded*

The cost of material consumed/ traded in fiscal 2016 was ₹ 4,044.84 Lakhs, an increase of ₹ 470.94 Lakhs or 13.18% as compared to the previous year cost of ₹ 3,573.90 Lakhs in fiscal 2015.



### *Direct Expenses*

Direct expenses decreased by ₹ 493.42 Lakhs or 46.36%, from ₹ 1,064.28 Lakhs in fiscal 2015 to ₹ 570.86 Lakhs in fiscal 2016. The major factor for such decrease was due to decrease in labour payments.

### *Employee Benefit Expenses*

Our staff cost increased by ₹ 1.52 Lakhs or 3.44%, from ₹ 44.21 Lakhs in fiscal 2015 to ₹ 45.73 Lakhs in fiscal 2016. This increase was mainly due to increase in salaries.

### *Finance Cost*

Finance cost during the year increased by ₹ 65.48 Lakhs or 71.87%, from ₹ 91.12 Lakhs in fiscal 2015 to ₹ 156.60 Lakhs in fiscal 2016. The increase was due to increase in short term and long term borrowings.

### *Depreciation and Amortization Expenses*

Depreciation expenses decreased by ₹ 0.66 Lakhs or 6.88% from ₹ 9.58 Lakhs in fiscal 2015 to ₹ 8.92 Lakhs in fiscal 2016. This decrease was on account of sale of vehicle.

### *Other Expenses*

Other expenses increased by ₹ 6.57 Lakhs or 52.31% from ₹ 12.56 Lakhs in fiscal 2015 to ₹ 19.14 Lakhs in fiscal 2016. The increase was due to increase in security charges, professional & legal expenses, repairs and maintenance etc.

### *Profit before Tax*

Our Profit before tax decreased by ₹ 13.07 Lakhs or 4.75% from ₹ 275.34 Lakhs in fiscal 2015 to ₹ 262.28 Lakhs in fiscal 2016. The decrease was majorly due to decrease in Revenue.

### *Profit after Tax*

After accounting for taxes at applicable rates, our Profit after Tax decreased by ₹ 14.48 Lakhs or 7.64 %, from ₹ 189.48 Lakhs in fiscal 2015 to ₹ 175.00 Lakhs in fiscal 2016.

## **Fiscal 2015 compared with fiscal 2014**

### *Income*

In fiscal 2015, our total income decreased by ₹ 678.69 Lakhs or 11.96%, from ₹ 5,674.18 Lakhs in fiscal 2014 to ₹ 4,995.42 Lakhs in fiscal 2015. The decrease in the year 2015 was due to decrease in revenue from operations as compared to last year.

Revenue from Operations decreased by ₹ 696.38 Lakhs or 12.33%, from ₹ 5,645.72 Lakhs in fiscal 2014 to ₹ 4,949.34 Lakhs in fiscal 2015. The major factor for such decrease was due to decrease in revenue from civil works.

Other Income increased by ₹ 17.62 Lakhs or 61.93%, from ₹ 28.46 Lakhs in fiscal 2014 to ₹ 46.08 Lakhs in fiscal 2015. The major factor for such increase was increase in share of profit from joint ventures.

### *Cost of material consumed/ traded*

The cost of material consumed/ traded in fiscal 2015 was ₹ 3,573.90 Lakhs, an increase in of ₹ 144.48 Lakhs or 4.21% as compared to the previous year cost of ₹ 3,429.42 Lakhs in fiscal 2014.

### *Direct Expenses*

Direct expenses in the fiscal 2015 was ₹ 1,064.28 Lakhs as compared to fiscal 2014 of ₹ 1,685.91 Lakhs, showing a decrease of ₹ 621.64 Lakhs or 36.87% which was due to decrease in labour payment.

### *Employee Benefit Expenses*

Our staff cost decreased by ₹ 2.57 Lakhs or 5.50%, from ₹ 46.78 Lakhs in fiscal 2014 to ₹ 44.01 Lakhs in fiscal 2015.

### *Finance Cost*

Finance cost during the year increased by ₹ 3.85 Lakhs or 4.41%, from ₹ 87.27 Lakhs in fiscal 2014 to ₹ 91.12 Lakhs in fiscal 2015. The increase was due to increase in interest cost.

### *Depreciation and Amortization Expenses*

Depreciation expenses decreased by ₹ 2.49 Lakhs or 20.64% from ₹ 12.07 Lakhs in fiscal 2014 to ₹ 9.58 Lakhs in fiscal 2015. This decrease was on account adjustment made on account of introduction of useful life of assets method of depreciation.

### *Other Expenses*

Other expenses decreased by ₹ 6.96 Lakhs or 35.64% from ₹ 19.52 Lakhs in fiscal 2014 to ₹ 12.56 Lakhs in fiscal 2015. The decrease was due to decrease in travelling, office expenses etc. in FY 2014-2015.

### *Profit before Tax*

Our Profit before tax decreased by ₹ 23.65 Lakhs or 7.91% from ₹ 298.99 Lakhs in fiscal 2014 to ₹ 275.34 Lakhs in fiscal 2015. The decrease was due to decrease in revenue from operation.

### *Profit after Tax*

After accounting for taxes at applicable rates, our Profit after Tax decreased by ₹ 7.10 Lakhs or 3.61%, from ₹ 196.58 Lakhs in fiscal 2014 to ₹ 189.48 Lakhs in fiscal 2015.

### **Cash Flows**

(₹ in Lakhs)

| Particulars  | Period ended<br>December 31,<br>2017 | For the year ended |          |          |
|--|--------------------------------------|--------------------|----------|----------|
|  |                                      | 2017               | 2016     | 2015     |
| Net Cash from Operating Activities                     | 398.38                               | 191.82             | (298.49) | (35.72)  |
| Net Cash from Investing Activities                     | (267.35)                             | (38.56)            | (1.81)   | 138.29   |
| Net Cash used in Financing Activities                  | (94.91)                              | 27.37              | 326.41   | (250.77) |
| Net Increase / (Decrease) in Cash and Cash equivalents | 36.13                                | 180.64             | 26.11    | (148.20) |

### *Cash Flows from Operating Activities*

Net cash from operating activities in the period ended December 31, 2017 was ₹ 398.38 Lakhs as compared to the PBT of ₹ 202.44 Lakhs for the same period. This difference is primarily on account of changes in changes in inventories, trade receivables, short term loans and advances, other current assets, trade payables, other current liabilities.

Net cash from operating activities in fiscal 2017 was ₹ 191.82 Lakhs as compared to the PBT of ₹ 269.67 Lakhs for the same period. This difference is primarily on account of changes in inventories, trade receivables, short term loans and advances, other current assets, trade payables and other current liabilities.

Net cash from operating activities in fiscal 2016 was negative ₹ 298.49 Lakhs as compared to the PBT of ₹ 262.28 Lakhs for the same period. This difference is primarily on account of changes in inventories, trade receivables, short term loans and advances, other current assets, trade payables and other current liabilities.

Net cash from operating activities in fiscal 2015 was negative ₹ 35.72 Lakhs as compared to the PBT of ₹ 275.34 Lakhs for the same period. This difference is primarily on account of changes in inventories, trade receivables, short term loans and advances, other current assets, trade payables and other current liabilities.

### ***Cash Flows from Investment Activities***

In period ended December 31, 2017, the net cash invested in Investing Activities was negative ₹ 267.35 Lakhs. This was on account of purchase of fixed assets and increase in other non-current assets.

In fiscal 2017, the net cash invested in Investing Activities was negative ₹ 38.56 Lakhs. This was on account of purchase of fixed assets and increase in non-current assets.

In fiscal 2016, the net cash invested in Investing Activities was negative ₹ 1.81 Lakhs. This was on account of purchase of fixed assets and non-current investments which is set off by decrease in non-current assets.

In fiscal 2015, the net cash invested in Investing Activities was ₹ 138.29 Lakhs. This was primarily on account of decrease in non-current assets and interest received.

### ***Cash Flows from Financing Activities***

Net cash from financing activities in period ended December 31, 2017 was negative ₹ 94.91 Lakhs. This was on account of repayment of short term borrowings, increase in long term loans and advances, interest and financial charges.

Net cash from financing activities in fiscal 2017 was ₹ 27.32 Lakhs. This was on account of increase in short term borrowings, decrease in long term loans and advances and payment of interest and financial charges.

Net cash from financing activities in fiscal 2016 was ₹ 326.41 Lakhs. This was on account of increase in long /short term borrowings, decrease in long term loans and advances and payment of interest and financial charges.

Net cash from financing activities in fiscal 2015 was negative ₹ 250.77 Lakhs. This was on account of increase in long term loans and advances; decrease in short term borrowings, proceeds from share capital and interest & financial charges.

## **OTHER MATTERS**

### **Unusual or infrequent events or transactions**

Except as described in this Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

### **Significant economic changes that materially affected or are likely to affect income from continuing Operations**

Other than as described in the Section titled “*Financial Information*” and chapter titled “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*”, beginning on pages nos. 130 and 154 respectively of this Prospectus, to our knowledge there are no significant economic changes that materially affected or are likely to affect income from continuing Operations.

### **Known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations**

Other than as described in the chapter titled “*Risk Factors*” and “*Management’s Discussion and Analysis of Financial Conditions and Result of Operations*” beginning on page nos. 12 and 154 respectively of this 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 revenues or income of our company from continuing operations.

### **Future relationship between Costs and Income**

Other than as described in the chapter titled “*Risk Factors*” beginning on page no. 12 of this Prospectus, to our knowledge there are no factors, which will affect the future relationship between costs and income or which are expected to have a material adverse impact on our operations and finances.

The extent to which material increases in revenue or income from operations are due to increased volume or services or increased prices

Increases in revenues are by and large linked to increases in introduction of new services and volume of business activity carried out by our Company.

**Status of any publicly announced new products or business segments**

Please refer to the chapter titled “*Our Business*” beginning on page no. 84 of this Prospectus.

**The extent to which the business is seasonal**

Our business is not seasonal in nature.

**Any significant dependence on a single or few suppliers or customers**

There is a dependency on few customers as the revenue from top 10 customers constitutes 94.10% of our total revenue.

## FINANCIAL INDEBTEDNESS

Set forth below, is a brief summary of our Company's borrowings as on December 31, 2017 together with a brief description of certain significant terms / material covenants of the relevant financing arrangements.

(₹ in Lakhs)

| Nature of Borrowing   | Amount          |
|-----------------------|-----------------|
| Secured Borrowings    | 1,086.37        |
| Unsecured Borrowings* | 695.38          |
| <b>Total</b>          | <b>1,781.75</b> |

\* Includes current maturities of long term borrowing of ₹203.27.

## SECURED BORROWINGS OF OUR COMPANY

(₹ in Lakhs)

| Name of Lender   | Type of Loan  | Sanctioned amount | Amount outstanding as on December 31, 2017 | Rate of Interest (p.a.) | Validity / Repayment Schedule                         | Security Provided |
|------------------|---|-------------------|--|-------------------------|---|-------------------|
| Yes Bank Limited | Cash Credit Facility ("CC") (Including sub limit from working capital demand loan of Rs. 550) | 800.00            | 287.84                                     | YBL Annual MCLR + 2.55% | 12 months subject to payable on demand/ annual review | Note 1            |
|                  | Working Capital Demand Loan   | 300.00            | 798.53*                                    | MCLR+2.05% p.a.         | 12 months subject to annual review                    | Note 1            |

\* includes amount utilized from sublimit of ₹ 550.00 Lakhs of cash credit.

(MCLR: Marginal cost of funds based lending rate)

### Note 1:

- Exclusive charge on Company's current and Movable Fixed Assets.
- Equitable mortgage on
  1. Property located at B/305, 3<sup>rd</sup> Floor, Paras Darshan CHS Ltd, S V Road, Borivali East, Mumbai- 400066.
  2. Property located at Shop no- 15, Paras Darshan CHS Ltd, S V Road, Borivali East, Mumbai- 400066.
  3. Property located at Shop no-17, Paras Darshan CHS Ltd, S V Road, Borivali East, Mumbai- 400066.
  4. Property located at Flat No 401A, Jalaram Heights, Ganjawala Lane, Borivali West, Mumbai.
  5. Property located at Flat No 203, Jai Tirth CHSL, Daulat Nagar, Road No. 10, Borivali East, Mumbai.
  6. Property located at Office No.1, Jai Tirth CHSL, Daulat Nagar, Road No. 10, Borivali East, Mumbai- 400066.
- Lien on LIC policy with surrender value not less than 1.3 MM.
- FD of equivalent amount INR 0.4 MM in the name of borrower to be kept under YBL lien.
- Guarantee: Unconditional and irrecoverable personal guarantee of Mr. Mahesh K. Shah, Ms. Mamta Mahesh Shah and owners of the property till the end of tenor of the facility.

Special Terms & Conditions (if any): Debtors of group companies will not be added in DP calculation.

## Non Fund Based Borrowings

Apart from above borrowings we have been approved bank guarantee limits worth ₹1,087.00 lacs from Yes Bank Limited against the personal Guarantees of Mahesh K Shah, Jitesh Hirani, Jayesh J Shah, Smita N Panani and Narendra C Panani. The outstanding bank guarantees as on December 31, 2017 is ₹ 1,000.00 Lakhs.

Special Terms & Conditions (if any): Bank guarantee to be issued to Govt./Semi Quasi Government Agencies only, any deviation will require necessary approval. Yes bank limited can issue mobilization advanced BG, Security deposit BG which is classify as financial BG after taking necessary approvals.

#### UNSECURED BORROWINGS OF OUR COMPANY:

(₹ in Lakhs)

| Name of the Lender        | Amount outstanding as on December 31, 2017 |
|---------------------------|--|
| Loan from Directors       | 3.96                                       |
| Loan from Body Corporate* | 691.42                                     |
| <b>Total</b>              | <b>695.38</b>                              |

\*The details of unsecured loans from Body Corporate as on December 31, 2017 are as follows:-

| Name of the Entity from whom unsecured loans has been availed | Amount o/s (Rs. In Lakhs) | Rate of Interest |
|---|---------------------------|------------------|
| Capital First Limited   | 43.22                     | 10.17%           |
| Deutsche Bank   | 8.79                      | 13.35%           |
| Fintree Finance Private Limited                               | 46.77                     | 18%              |
| Fintree Finance Private Limited                               | 23.38                     | 18%              |
| HDFC Bank   | 9.34                      | 16.00%           |
| Indusind Bank   | 43.47                     | 18.50%           |
| IVL Finance Limited   | 38.73                     | 18.25%           |
| Kotak Mahindra Bank   | 39.07                     | 18.81%           |
| Standard Chartered Bank                                       | 55.75                     | 17.50%           |
| Sundaram Finance Limited                                      | 35.00                     | 8.69%            |
| Tata Capital Finance Services Limited                         | 38.65                     | 18.23%           |
| Volition Credit and Holdings Private Limited                  | 61.21                     | 18%              |
| Deekay Iron and Steel Private Limited                         | 68.97                     | 9.00%            |
| Om Prakash Engineering Private Limited                        | 26.53                     | 9.00%            |
| Shree Durga Iron & Steel Private Limited                      | 10.61                     | 9.00%            |
| Starwort Engineers Private Limited                            | 58.36                     | 9.00%            |
| New Manak Metalloys Limited                                   | 56.52                     | 12.00%           |
| Opulent Jewels Private Limited                                | 27.06                     | 12.00%           |
| <b>Total</b>  | <b>691.42</b>             |                  |

## SECTION VII – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATIONS 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 or Group Company. Our Board, in its meeting held on February 17, 2018 determined that all outstanding litigations pertaining to our Company, it's Directors/Promoters/ Group Company which are in the nature if criminal, statutory/regulatory and taxation related which exceeds ₹ 1,00,000 (1 Lakh) only as per the last audited financial statements will be considered as material litigation ("Material Litigation").*

*B. (i) litigation or legal actions, pending or taken, by any Ministry or department of the Government or a statutory authority against our Promoter 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 17, 2018, determined that all outstanding dues owed by the Company to small scale undertaking and other creditors exceeding 1% of the revenue of our Company as per the last audited financial statements shall be considered as material dues ("Material Dues"). Details of outstanding dues to creditors (including micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006) as required under the SEBI ICDR Regulations have been disclosed on our website at [www.giriraj.biz](http://www.giriraj.biz).*

*Our Company, Directors, Promoters and Group Company is not Wilful Defaulters and there have been no violations of securities laws in the past or pending against them.*

#### **LITIGATION INVOLVING OUR COMPANY**

#### **CONTINGENT LIABILITIES OF OUR COMPANY**

#### **STATEMENT OF CONTINGENT LIABILITIES, AS RESTATED**

( ₹ in Lakhs)

| Particulars     | As at<br>December<br>31, 2017 | As at March 31, |        |        |        |        |
|-----------------|-------------------------------|-----------------|--------|--------|--------|--------|
|                 |                               | 2017            | 2016   | 2015   | 2014   | 2013   |
| Bank Guarantees | 1,000.00                      | 915.00          | 650.00 | 450.00 | 650.00 | 408.90 |
| Total           | 1,000.00                      | 915.00          | 650.00 | 450.00 | 650.00 | 408.90 |

#### **A. LITIGATION AGAINST OUR COMPANY**

##### **1. Criminal matters**

NIL

##### **2. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

##### **3. Litigation involving Tax Liabilities**

##### **(i) Direct Tax Liabilities**

NIL



(ii) **Indirect Taxes Liabilities**

NIL

**4. Other Pending Litigations**

**Special Leave Petition No. 1115 of 2016 filed by Union of India & others M/s(“the Petitioners”) against Giriraj Civil Developer (“the Company”) before the Hon’ble Supreme Court of India (“the Court”)**

The Company had filed an Arbitration Application bearing No. 93 of 2012 before the High Court of Judicature Rajasthan at Jaipur against the Petitioners inter-alia requiring the Petitioners to pay the outstanding bill amount to the Company for the construction of minor bridges, wing/return and other works between Sikar and Loharu Stations in connection with the Jaipur-Sikar- Loharu&Sikar-Churu GC project carried out by the Company on a tender based contract for the Petitioners and further prayed for the appointment of a Sole Arbitrator. Thereafter, the aforementioned application was allowed by the High Court of Judicature Rajasthan at Jaipur vide Order dated September 15, 201 and hence Hon’ble Mr. Justice A.C Goyal was appointed as the Sole Arbitrator. Consequently, a Special Leave Petition No. 1115 of 2016 was filed by the Petitioners before the Court inter-alia praying that the Court may graciously be pleased to Grant special leave to appeal under the Article 136 of the Constitution of India against the Order dated September 15, 2015 passed by the Hon’ble High Court of Judicature for Rajasthan at Jaipur Bench and Pass an ad Interim Ex-parte Order staying the operation of the Order dated September 15, 2015. This matter is currently pending.

**Special Leave Petition No. 2670 of 2016 filed by Union of India & others M/s(“the Petitioners”) against Giriraj Civil Developer (“the Company”) before the Hon’ble Supreme Court of India (“the Court”)**

The Company had filed an Arbitration Application bearing No. 92 of 2012 before the High Court of Judicature Rajasthan at Jaipur against the Petitioners inter-alia requiring the Petitioners to pay the outstanding bill amount to the Company for the construction of minor bridges, wing/return and other works between Jaipur and Ringus stations carried out by the Company on a tender based contract for the Petitioners and further prayed for the appointment of a Sole Arbitrator. Thereafter, the aforementioned application was allowed by the High Court of Judicature Rajasthan at Jaipur vide Order dated September 11, 2015 and hence Hon’ble Mr. Justice A.C Goyal was appointed as the Sole Arbitrator. Consequently, a Special Leave Petition No. 2670 of 2016 was filed by the Petitioners before the Court inter-alia praying that the Court may graciously be pleased to Grant special leave to appeal under the Article 136 of the Constitution of India against the Order dated September 11, 2015 passed by the Hon’ble High Court of Judicature for Rajasthan at Jaipur Bench and Pass an ad Interim Ex-parte Order staying the operation of the Order dated September 11, 2015. This matter is currently pending.

**B. CASES FILED BY OUR COMPANY**

**1. Litigation Involving Criminal matters**

NIL

**2. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3. Litigation involving Tax Liabilities**

**(i) Direct Tax Liabilities**

NIL

**Indirect Taxes Liabilities**

NIL

#### 4. Other Pending Litigations

##### **Arbitration Application no. 3 of 2015 filed by the Company against The Union of India through General Manager and the Chief Administration Officer (“the Respondents”)**

The Company has filed an arbitration application no 3 of 2015 before the High Court of Judicature Rajasthan at Jaipur. The Company had entered into a Contract bearing Tender No. NWR/S&C/JP-SIKR-LHU&SIKR-CUR/GC/T/3R dated June 28, 2011. The date of completion of the work was agreed as June 29, 2012. In spite of all the odds the Company tried to complete the work and a considerable amount of work was done and for such work, bills were raised from time to time by the Company. Thereafter, a notice for termination of the contract was issued by the Respondents on April 27, 2012 without finalizing the bills for the work done/completed by the Company. The subject matter is valued at about Rs. 3,48,18,864 plus interest plus expenses before the Court and Arbitral Tribunal on the aforesaid amount @ 18% p.a till realization. Cost of litigation should also be awarded to the applicant to the extent of ₹ 50,000.

##### **Arbitration Application no. 4 of 2015 filed by the Company against The Union of India through General Manager and the Chief Administration Officer (“the Respondent”)**

The Company has filed an arbitration application no 4 of 2015 before the High Court of Judicature Rajasthan at Jaipur. The Company had entered into a Contract, Tender No. NWR/S&C/JP-SIKR-LHU&SIKR-CUR/GC/T/1RR dated August 16, 2011. Further, there was another contract bearing no. NWR/S&C/JP-SIKR-LHU&SIKR-CUR/GC/T/3R dated June 28, 2011 which was also awarded by the Respondent in favour of the Company. The Company then invoked arbitration clause by giving a legal notice to the Respondent on October 19, 2012 as the Respondents were not clearing the bills and demanded for arbitral tribunal. Under such circumstances the appointment of arbitrator is filed. The Earnest money Deposit by the Company was Rs.13,19,300/- on 13.10.2010 and performance bank Guarantee on 06.04.2011 for a sum of Rs. 1,07,06,100/-. The subject matter is valued at about Rs. 3,83,69,652 plus interest plus expenses before the Court and Arbitral Tribunal on the aforesaid amount @ 18% p.a till realization. Cost of litigation should also be awarded to the applicant to the extent of ₹ 50,000.

#### **LITIGATION INVOLVING OUR DIRECTORS**

##### **A. LITIGATION AGAINST OUR DIRECTORS**

##### **1. Criminal matters**

NIL

##### **2. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

##### **3. Litigation involving Tax Liabilities**

##### **(i) Direct Tax Liabilities**

**Mr. Mahesh Shah:**

| Sr. No. | Type of Direct Tax        | No. of Cases | Amount in dispute/ demanded (in ₹) |
|---------|---------------------------|--------------|------------------------------------|
| 1.      | Income Tax (A.Y. 2009-10) | 1            | 41,39,320 <sup>/*</sup>            |
|         | <b>Total</b>              | <b>1</b>     | <b>41,39,320/-</b>                 |

*\*Vide Order dated October 08, 2014, the Income Tax Appellate Tribunal dismissed the Appeal filed by the Income Tax Officer, Ward-25(2)(2), Mumbai against the Order dated July 12, 2012 for the quantum of Assessment passed under Section 143 (3) of the Income Tax Act, 1961 for the A.Y. 2009-10. Thereafter, the Commissioner of Income Tax, Mumbai filed an Appeal dated February 02, 2015 before the High Court, Mumbai. This Appeal is currently at the Pre-Admission stage and therefore the matter is currently pending.*

**(ii) Indirect Taxes Liabilities**

NIL

**4. Other Pending Litigations**

NIL

**B. LITIGATION FILED BY OUR DIRECTORS**

**1. Litigation Involving Criminal matters**

NIL

**2. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3. Litigation involving Tax Liabilities**

**(i) Direct Tax Liabilities**

NIL

**(ii) Indirect Taxes Liabilities**

NIL

**4. Other Pending Litigations**

NIL

**LITIGATION INVOLVING OUR PROMOTERS**

**A. LITIGATION AGAINST OUR PROMOTERS**

**1. Litigation Involving Criminal matters**

NIL

**2. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3. Litigation involving Tax Liabilities**

**(i) Direct Tax Liabilities**

NIL

**(ii) Indirect Taxes Liabilities**

NIL

**4. Other Pending Litigations**

NIL

**B. LITIGATION FILED BY OUR PROMOTERS**

**1. Litigation Involving Criminal matters**

NIL

**2. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3. Litigation involving Tax Liabilities**

**(i) Direct Tax Liabilities**

NIL

**(ii) Indirect Taxes Liabilities**

NIL

**4. Other Pending Litigations**

NIL

**LITIGATION INVOLVING OUR GROUP COMPANY**

**A. LITIGATION AGAINST OUR GROUP COMPANY**

**1. Litigation involving Criminal matters**

NIL

**2. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3. Litigation involving Tax Liabilities**

**(i) Direct Tax Liabilities**

NIL

**(ii) Indirect Taxes Liabilities**

NIL

**4. Other Pending Litigations**

NIL

**B. LITIGATION FILED BY OUR GROUP COMPANY**

**1. Criminal matters**

NIL

## 2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

## 3. Litigation involving Tax Liabilities

### (i) Direct Tax Liabilities

NIL

### (ii) Indirect Taxes Liabilities

NIL

## 4. Other Pending Litigations

NIL

**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.**

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**

There are no fines imposed or compounding of offences done in the last 5 (five) years immediately preceding the year of the Prospectus for the Company for default or outstanding defaults.

**Non-Payment of Statutory Dues**

There have been no defaults or outstanding defaults in the payment of statutory dues payable by the Company as of the date of the last audited financial statements of the Company.

**Amounts owed to small scale undertakings and other creditors**

As of December 31, 2017, our Company owes the following amounts to small scale undertakings, other creditors and material creditors:

( ₹ in Lakhs)

| Particulars                         | Number of creditors | Amount Involved |
|-------------------------------------|---------------------|-----------------|
| Micro, Small and Medium Enterprises | Nil                 | Nil             |
| Material Creditors                  | 84                  | 807.11          |
| Other Creditors                     | 100                 | 32.24           |
| <b>Total</b>                        | <b>184</b>          | <b>839.35</b>   |

Details in relation to the amount owed by our Company to material creditors, small scale undertakings and other creditors as on December 31, 2017 are also available on our Company's website viz. [www.giriraj.biz](http://www.giriraj.biz).

*It is clarified that information provided on the website of our Company is not a part of this Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website, would be doing so at its own risk.*

**Material developments occurring after last balance sheet date**

Except as disclosed elsewhere in this Prospectus, there have been no material developments that have occurred after the Last Balance Sheet Date.

## GOVERNMENT AND OTHER KEY APPROVALS

*Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies required to undertake the Offer or continue our business activities. In view of the approvals listed below, we can undertake the Offer 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 Offer 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 Offer

1. The Board of Directors have, pursuant to Sections 23, 26, 28 and 62(1)(c) and other applicable provisions of the Companies Act 2013, by a resolution passed at its meeting held on January 23, 2018 authorized the Offer, 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 23, 26, 28 and 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 February 17, 2018.
3. In-principle approval dated March 09, 2018 from the NSE for listing of the Equity Shares issued by our Company pursuant to the Offer.
4. Our Company's International Securities Identification Number ("ISIN") is INE614Z01017.

### II. Approvals pertaining to Incorporation, name and constitution of our Company

1. Certificate of Incorporation in the name of "Giriraj Civil Developers Private Limited" was issued on October 19, 2005 by the Registrar of Companies, Mumbai at Maharashtra.
2. A fresh Certificate of Incorporation consequent upon change of name from "Giriraj Civil Developers Private Limited" to "Giriraj Civil Developers Limited" was issued on January 22, 2018 by the Registrar of Companies, Mumbai at Maharashtra.
3. The Corporate Identity Number (CIN) of the Company is U45200MH2005PLC156879.

### III. TAX RELATED APPROVALS

#### A. Approvals obtained by the Company

| Sr. No. | Description   | Authority                                  | Registration Number | Date of Issue     | Date of Expiry        |
|---------|---|--|---------------------|-------------------|-----------------------|
| 1.      | Tax Deduction Account Number (TAN)                              | Income Tax Department, Government of India | MUMG11253E          | December 21, 2005 | Valid until cancelled |
| 2.      | Permanent Account Number (PAN)                                  | Income Tax Department, Government of India | AACCG4613L          | October 19, 2005  | Valid until cancelled |
| 3.      | Certificate of Provisional Registration under Central Goods and | Government of India                        | 27270527625C        | June 28, 2017     | Valid until cancelled |



| Sr. No. | Description  | Authority                              | Registration Number | Date of Issue      | Date of Expiry        |
|---------|--|--|---------------------|--------------------|-----------------------|
|         | Services Tax Act, 2017 for the Company's registered office located at 101 Jai Tirth, JHS Daulat Nagar, Road No 10, Borivali(E), Mumbai 400066                    |  |                     |                    |                       |
| 4.      | Certificate of Registration under Central Goods and Services Tax Act, 2017 for the Company's branch office located at Shop No. 22, Prime Arcade, Navsari, Baroda | Government of India                    | 24AACCG4613LIZQ     | September 19, 2017 | Valid until cancelled |
| 5.      | Certificate of Registration under the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975.  | Sales Tax Officer Registration, Mumbai | PT/R/1/34/11230     | March 01, 2007     | Valid until cancelled |
| 6.      | Certificate of Enrollment under the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975.  | Sales Tax Officer, Mumbai              | 99372032307P        | May 02, 2008       | Valid until cancelled |

#### IV. BUSINESS RELATED APPROVALS

- 1) Our Company has been registered under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, with effect from June 01, 2004 and has been granted code no. MH/BAN/47175 by certificate bearing reference no. MH/BAN/47175/PF/ZONE II/02E/414/271 dated July 01, 2004 issued by Regional Provident Fund Commissioner, Maharashtra.
- 2) Our Company has obtained Employee State Insurance registration No. 35000388710001019.
- 3) Our Company has obtained a Certificate of Registration of the Establishment dated May 24, 2017 bearing NO. RC006531/ COMMERCIAL II/ WARD RC for its registered address situated at 101 Jai Tirth, JHS Daulat Nagar, Road No 10, Borivali(E), Mumbai 400066. This Certificate is valid up to December 31, 2020.
- 4) Our Company has obtained Registration as Contractors dated October 13, 2015 issued by the Brihanmumbai Municipal Corporation. This Certificate is valid up to October 12, 2018.
- 5) Our Company has obtained a Certificate of Registration bearing No. BRC/RLC/56R(65)/2016 dated November 24, 2016 issued by Regional Labour Commissioner, Vadodara to the Company for construction raising/extension of FOB at Karembale, Vapi and Navsari Stations with other miscellaneous works in connection with Western Dedicated Freight Corridor on VR ST section of Mumbai Division of Western Railway for DFCCIL in the establishment of Deputy Chief Engineer (const.) DFC, Western Railway, Churchgate, Mumbai. This certificate is valid up to October 20, 2018.

- 6) Our Company has entered into a Joint Venture and has obtained a Certificate of Registration dated August 18, 2017 bearing No. B-ALC(C)-III/43(23)/2017-RC in the name of M/s Prime-Giriraj-KK (JV) under Section 7(3) of the Building and Other Construction Work (Regulation and Employment and Conditions of Services) Act, 1996 for the Civil Construction of 208 units Type-II Railway quarters and 48 units Type-III Railway quarters. This Certificate is valid up to June 30, 2018.
- 7) Our Company has entered into a Joint Venture and has obtained a Certificate of Registration dated August 18, 2017 bearing No. B-ALC(C)-III/46(95)/2017-L in the name of M/s Prime-Giriraj-KK (JV) under Section 12(1) of the Contract Labour (Regulation and Abolition) Act, 1970 for the Civil Construction of 208 units Type-II Railway quarters and 48 units Type-III Railway quarters. This Certificate is valid up to August 17, 2018.
- 8) Our Company has entered into a Joint Venture and has obtained a Certificate of Registration dated January 15, 2018 bearing No. B-ALC(C)-III/43(02)/2018-RC in the name of M/s Prime-Giriraj-KK (JV) under Section 7(3) of the Building and Other Construction Work (Regulation and Employment and Conditions of Services) Act, 1996 for the Civil Construction of 96 units Type-II quarters at Parel Railway Colony. This Certificate is valid up to November 22, 2018
- 9) Our Company has entered into a Joint Venture and has obtained a Certificate of Registration dated January 15, 2018 bearing No. B-ALC(C)-III/46(04)/2018-L in the name of M/s Prime-Giriraj-KK (JV) under Section 12(1) of the Contract Labour (Regulation and Abolition) Act, 1970 for the Civil Construction of 96 units Type-II quarters at Parel Railway Colony. This Certificate is valid up to January 14, 2019.
- 10) Our Company has entered into a Joint Venture and has obtained a Certificate of Registration dated January 15, 2018 bearing No. B-ALC(C)-III/43(01)/2018-RC in the name of M/s Prime-Giriraj-KK (JV) under Section 7(3) of the Building and Other Construction Work (Regulation and Employment and Conditions of Services) Act, 1996 for the Civil Construction works at Parel station and Construction of services building between CST and Vidyavihar stations. This Certificate is valid up to October 30, 2018.
- 11) Our Company has entered into a Joint Venture and has obtained a Certificate of Registration dated January 15, 2018 bearing No. B-ALC(C)-III/46(03)/2018-L in the name of M/s Prime-Giriraj-KK (JV) under Section 12(1) of the Contract Labour (Regulation and Abolition) Act, 1970 for the Civil Construction works at Parel station and Construction of services building between CST and Vidyavihar stations. This Certificate is valid up to January 14, 2019.

#### **V. APPROVALS REQUIRED TO BE OBTAINED BY THE COMPANY, BUT NOT APPLIED FOR:**

- 1) Certificate of Registration under the Gujarat State Tax on Professions, Trades, Callings and Employments Act, 1976 for the Company's corporate office located at Shop No. 22, Prime Arcade, Navsari, Baroda;
- 2) Certificate of Enrollment under the Gujarat State Tax on Professions, Trades, Callings and Employments Act, 1976 for the Company's corporate office located at Shop No. 22, Prime Arcade, Navsari, Baroda and
- 3) Certificate of Registration under the Shops and Establishments Act, 1948 for the Company's corporate office located at Shop No. 22, Prime Arcade, Navsari, Baroda.

## SECTION VIII – OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Offer

Our Board of Directors have *vide* resolution dated January 23, 2018 authorized the Offer, subject to the approval by the shareholders of our Company under Section 62(1)(C) of the Companies Act, 2013.

The shareholders have authorized the Offer, by passing a Special Resolution at the Extra-Ordinary General Meeting held with a shorter notice on February 17, 2018 in accordance with the provisions of Section 62(1)(C) of the Companies Act, 2013.

The Offer for Sale has been authorised by the Selling Shareholders by their consent letter dated January 23, 2018. The number of Equity Shares offered by each Selling Shareholders is as follows:

| Sr. No.                                   | Name of the Selling Shareholder | No. of Equity Shares Offered |
|---|---------------------------------|------------------------------|
| <b>Promoter Selling Shareholders</b>      |                                 |                              |
| 1   | Mr. Mahesh Shah                 | 2,50,800                     |
| 2   | Mrs. Mamta Shah                 | 99,600                       |
| <b>Promoter Group Selling Shareholder</b> |                                 |                              |
| 3   | Mahesh K. Shah (HUF)            | 2,49,600                     |
|   | <b>Total</b>                    | <b>6,00,000</b>              |

The Selling Shareholders have severally confirmed that the Equity Shares proposed to be offered and sold in the Offer are eligible in term of SEBI (ICDR) Regulations and that they have not been prohibited from dealings in securities market and the Equity Shares offered and sold are free from any lien, encumbrance or third party rights. The Selling Shareholders have also severally confirmed that they are the legal and beneficial owners of the Equity Shares being offered by them under the Offer for Sale.

Our Company has obtained in-principle approval from NSE *vide* letter dated March 09, 2018 to use the name of NSE in this Offer Document for listing of equity shares on the EMERGE platform of the NSE. NSE is the designated stock exchange.

### Prohibition by SEBI, the RBI or Governmental Authorities

We confirm that there is no prohibition on our Company, the Selling Shareholders, its Directors, Promoters and entities forming part of our Promoter Group from accessing the capital market or operating in the capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Neither our Company, our Promoters, relatives of Promoters (as defined under Companies Act, 2013), our Directors, our Group Companies, nor the Selling Shareholders have been identified as wilful defaulters by the RBI or other authorities. The Selling Shareholders severally confirm that they have not been Wilful Defaulters.

The listing of any securities of our Company has never been refused at any time by any of the stock exchanges in India.

### Association with Securities Market

We confirm that none of our Directors or the entities that our Directors are associated with are engaged in the Securities Market related business in any manner and no action has been initiated against our Directors or any of the entities that our Directors are involved as promoters and / or Directors, by SEBI at any time except as stated under the chapters titled “*Risk Factors*”, “*Our Promoters and Promoter Group*” and “*Outstanding Litigations and Material Developments*” beginning on page nos. 12, 121 and 166 respectively of this Prospectus.

### Eligibility for the Offer

Our Company is an “Unlisted Company” in terms of the SEBI (ICDR) Regulation; and this Offer is an “Initial Public Offer” in terms of the SEBI (ICDR) Regulations.

This Offer is being made in terms of Regulation 106 (M) (1) of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer whose post issue face value capital does not exceed ten crores rupees,

shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the EMERGE Platform of NSE).

We confirm that:

- 1) In accordance with Regulation 106 (P) of the SEBI (ICDR) Regulations, this offer has been hundred percent underwritten and that the Lead Manager to the Offer has underwritten more than 15% of the total Offer Size. For further details pertaining to the said underwriting please see *"General Information- Underwriting"* on page no. 44 of this Prospectus.
- 2) In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Offer is greater than or equal to fifty (50), otherwise, the entire application money will be refunded / unblocked forthwith. If such money is not repaid / unblocked, then our Company and every officer in default shall be liable to repay / unblock such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.
- 3) In accordance with Regulation 106(O) the SEBI (ICDR) Regulation, we have not filed any Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our Lead Manager submits the copy of Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.
- 4) In accordance with Regulation 106(V) of the SEBI (ICDR) Regulations, we have entered into an agreement with the Lead Manager and the Market Maker to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this Offer. For further details of the arrangement of Market Making, please see *"General Information- Details of the Market Making Arrangements for this Offer"* on page no. 50 of this Prospectus.

We further confirm that we shall be complying with all other requirements as laid down for such offer under Chapter XB of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of the SEBI (ICDR) Regulations, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and sub-regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to us in this Offer.

- 5) Our Company shall mandatorily facilitate trading in demat securities and enter into an agreement with both the depositories.
- 6) Our Company has a website: <http://www.giriraj.biz/>.
- 7) There has been no change in the Promoter(s) of the Company in the preceding one year from date of filing application to NSE for listing on EMERGE platform of SME segment.

We confirm that we comply with all the below requirements / conditions so as to be eligible to be listed on the SME Platform of the NSE (NSE EMERGE):-

- 1) Our Company was incorporated as *"Giriraj Civil Developers Private Limited"* on October 19, 2005 under the Companies Act, 1956 with the Registrar of Companies, Mumbai bearing Registration No. 156879. The status of our Company was changed to a public limited company and the name of our Company was changed to *"Giriraj Civil Developers Limited"* by a special resolution passed on December 26, 2017. A fresh certificate of incorporation consequent to the change of name was granted to our Company on January 22, 2018, by the Registrar of Companies, Mumbai at Maharashtra.
- 2) As on the date of this Prospectus, our Company has a paid up capital of ₹ 294.41 Lakhs ( ₹ 2.94 crores) and the Post Issue Capital will be of ₹ 324.41 Lakhs ( ₹ 3.24 crores) which is less than ₹ 25 crores.
- 3) Our Company has track record of distributable profits in terms of Sec. 123 of Companies Act, 2013 for more than three years.

- 4) Our Company confirms that it has positive cash accruals (earnings before depreciation and tax) from operations for atleast 2 financial years preceding the application and its net-worth as on December 31, 2017.
- 5) Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
- 6) There is no winding up petition against our Company, which has been admitted by the court or a liquidator has not been appointed of competent jurisdiction against our Company.
- 7) No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against our Company.
- 8) Our Company confirms that there is no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of Promoters, Group Company, Companies promoted by the Promoters of our Company.

#### **Disclosure**

Our Company, our Directors, the Selling Shareholders, our Promoters, Promoter Group and our Group Company have confirmed that they have not been identified as wilful defaulters by the RBI or any other Governmental Authority.

#### **Disclaimer Clause of SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MERCHANT BANKER, ARYAMAN FINANCIAL SERVICES LIMITED, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY AND THE SELLING SHAREHOLDERS ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT PROSPECTUS, THE LEAD MERCHANT BANKER ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE SELLING SHAREHOLDERS DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER, ARYAMAN FINANCIAL SERVICES LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED MARCH 10, 2018.**

**AS PER REGULATION 106(O) OF THE SEBI ICDR REGULATIONS, ONLY THE PROSPECTUS HAS TO BE FILED WITH SEBI ALONGWITH A DUE DILIGENCE CERTIFICATE AS PER FORM A OF SCHEDULE VI OF THE SEBI ICDR REGULATIONS BY THE LEAD MANAGER. WE, THE LEAD MANAGER TO THE ABOVE MENTIONED OFFER, STATE AND CONFIRM AS FOLLOWS:**

- 1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE PROSPECTUS PERTAINING TO THE SAID OFFER;**
- 2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE OFFER, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE COMPANY, WE CONFIRM THAT:**

- A. THE PROSPECTUS FILED WITH THE BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE OFFER;**
- B. ALL THE LEGAL REQUIREMENTS RELATING TO THE OFFER AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
- C. THE DISCLOSURES MADE IN THE PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED OFFER AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, THE COMPANIES ACT, 2013 (TO THE EXTENT NOTIFIED), THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.**
- 3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.**
- 4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS. – NOTED FOR COMPLIANCE**
- 5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING OF THE PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE PROSPECTUS.**
- 6. WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE PROSPECTUS.**
- 7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE OFFER. WE UNDERTAKE THAT AUDITOR'S CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE PUBLIC OFFER. – NOT APPLICABLE.**
- 8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT OFFER 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 TO THE EXTENT APPLICABLE**
- 9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE OFFER ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 73 OF THE COMPANIES ACT, 1956**



(SECTION 40 OF 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 OFFER AND THE COMPANY SPECIFICALLY CONTAINS THIS CONDITION. – NOTED FOR COMPLIANCE. ALL MONIES RECEIVED OUT OF THE OFFER SHALL BE CREDITED/ TRANSFERRED TO A SEPARATE BANK ACCOUNT AS REFERRED TO IN SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013.

10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE 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, THE EQUITY SHARES ARE TO BE ISSUED IN DEMAT ONLY.
11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.
12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE PROSPECTUS:
  - 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 BOARD FROM TIME TO TIME.
13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE– NOTED FOR COMPLIANCE.
14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE 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.
15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.
16. WE ENCLOSE STATEMENT ON PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKER AS PER FORMAT SPECIFIED BY SEBI THROUGH CIRCULAR (PLEASE SEE “ANNEXURE A” FOR FURTHER DETAILS).
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 CERTIFIED BY PEER REVIEW AUDITORS PURSUANT TO ITS REPORT DATED FEBRUARY 22, 2018.

THE FILING OF THIS OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER SECTION 63 OR SECTION 68 OF THE COMPANIES ACT, 1956 (SECTION 34 OR SECTION 36 OF THE COMPANIES ACT, 2013) OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF



**TIME, WITH THE LEAD MERCHANT BANKERS ANY IRREGULARITIES OR LAPSES IN THE OFFER DOCUMENT.**

**Note:**

All legal requirements pertaining to the Offer will be complied with at the time of registration of the Prospectus with the RoC in terms of section 26, 28 and 30 of the Companies Act, 2013.

**ADDITIONAL CONFIRMATIONS/ CERTIFICATIONS TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING SME EXCHANGE**

- 1. WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE OFFER DOCUMENT HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.**
- 2. WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE COMPANY HAVE BEEN MADE IN PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE COMPANY OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES ISSUED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.**
- 3. WE CONFIRM THAT THE ABRIDGED PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009. – NOTED FOR COMPLIANCE**
- 4. WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE COMPANY.**
- 5. WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISIO TO SUB-REGULATION (4) OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009; CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE PROSPECTUS.**
- 6. WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 106P AND 106V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE.**

**Disclaimer from our Company, the Selling Shareholders and the Lead Manager**

Our Company, its Directors, the Selling Shareholders and the Lead Manager accept no responsibility for statements made otherwise than those contained in this Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk.

**CAUTION**

The Lead Manager accepts no responsibility, save to the limited extent as provided in the MoU for Offer Management entered into among the Lead Manager, our Company and the Selling Shareholders dated February 21, 2018 and its addendum dated March 09, 2018, the Underwriting Agreement dated February 21, 2018 and its addendum dated March 09, 2018 entered into among the Underwriter and our Company, the Selling Shareholders and the Market Making Agreement dated February 21, 2018 and its addendum dated , entered into among the Market Maker, Lead Manager and our Company.

All information shall be made available by us and the Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centres or elsewhere.

**Note:**

Investors who apply in the Offer will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not issue, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Selling Shareholders, the Underwriter 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 of our Company.

**Disclaimer in respect of Jurisdiction**

This offer is being made in India to persons resident in India including Indian nationals resident in India (who are not minors, except through their legal guardian), Hindu Undivided Families (HUFs), companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), Trusts registered under the Societies Registration Act, 1860, as amended from time to time, or any other trust law and who are authorised under their constitution to hold and invest in shares, permitted insurance companies and pension funds and to non-residents including NRIs and FIIs. The Prospectus does not, however, constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and the Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been any change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

**Disclaimer Clause of the EMERGE Platform of NSE**

“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/55 dated March 09, 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.”

**Disclaimer Clause under Rule 144A of the U.S. Securities Act**

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the “Securities Act”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to “qualified institutional buyers”, as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with 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 Applicants may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

### Filing

The Draft Prospectus has not been filed with SEBI, nor has SEBI issued any observation on the offer document in term of Reg. 106 (O) (1). However, a copy of the Prospectus shall be filed with SEBI at Plot No.C4-A,'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051.

A copy of the Prospectus, along with the documents required to be filed under Section 26 and 28 of the Companies Act, 2013 will be delivered to the RoC situated at Everest, 100, Marine Drive, Mumbai – 400 002.

### Listing

Application shall be made to EMERGE Platform of NSE for obtaining permission for listing of the Equity Shares being offered and sold in the Offer on its EMERGE Platform after the allotment in the Offer. NSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Offer.

If the permission to deal in and for an official quotation of the Equity Shares on the EMERGE Platform is not granted by NSE, our Company and the Selling Shareholders shall forthwith repay, without interest, all moneys received from the applicants in pursuance of the Prospectus. The allotment letters shall be issued or application money shall be refunded / unblocked within eight days from the closure of the Offer or such lesser time as may be specified by Securities and Exchange Board or else the application money shall be refunded to the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of fifteen per cent per annum for the delayed period as prescribed under Companies Act, 2013, the SEBI (ICDR) Regulations and other applicable law.

Our Company and the Selling Shareholders shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the EMERGE Platform of NSE mentioned above are taken within 6 Working Days of the Offer Closing Date.

Our Company has obtained in-principle approval from NSE vide letter dated March 09, 2018 to use the name of NSE in this Offer document for listing of equity shares on EMERGE Platform of NSE.

### Price Information of past issues handled by the Lead Manager

| Sr. No. | Issue Name                   | Issue size ( ₹ Cr.) | Issue Price ( ₹ ) | Listing date | Opening price on listing date | +/- % change in Price on closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing |        | +/- % change in Price on closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing |      | +/- % change in Price on closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing |      |
|---------|------------------------------|---------------------|-------------------|--------------|-------------------------------|--|--------|--|------|---|------|
| 1       | CKP Leisure Limited          | 11.54               | 30.00             | 06/03/2018   | 27.00                         | N.A.   | N.A.   | N.A.   | N.A. | N.A.  | N.A. |
| 2       | Banka Bioloo Limited         | 12.63               | 115.00            | 27/02/2018   | 114.00                        | N.A.   | N.A.   | N.A.   | N.A. | N.A.  | N.A. |
| 3       | Medico Remedies Limited      | 10.99               | 100.00            | 08/02/2018   | 100.00                        | N.A.   | N.A.   | N.A.   | N.A. | N.A.  | N.A. |
| 4       | Ashoka Metcast Limited       | 12.00               | 20.00             | 05/02/2018   | 16.00                         | -61.10%  | -1.77% | N.A.   | N.A. | N.A.  | N.A. |
| 5       | Apollo Micro Systems Limited | 156.00              | 275.00            | 22/01/2018   | 478.00                        | 1.95%  | -5.46% | N.A.   | N.A. | N.A.  | N.A. |
| 6       | S K S Textiles Limited       | 13.32               | 150.00            | 19/01/2018   | 149.90                        | -44.03%  | -4.06% | N.A.   | N.A. | N.A.  | N.A. |
| 7       | Silly Monks Entertainment    | 15.12               | 120.00            | 18/01/2018   | 144.00                        | 28.71%   | -3.37% | N.A.   | N.A. | N.A.  | N.A. |

|    |  |       |        |            |        |        |       |        |       |      |      |
|----|--|-------|--------|------------|--------|--------|-------|--------|-------|------|------|
|    | Limited                                |       |        |            |        |        |       |        |       |      |      |
| 8  | Shradha Infraprojects (Nagpur) Limited | 18.93 | 70.00  | 11/12/2017 | 69.80  | 0.14%  | 3.00% | N.A.   | N.A.  | N.A. | N.A. |
| 9  | Shreeji Translogistics Limited         | 12.40 | 130.00 | 13/10/2017 | 156.00 | 2.69%  | 2.72% | 34.62% | 6.38% | N.A. | N.A. |
| 10 | AKM Lace & Embrotex Limited            | 4.76  | 25.00  | 29/09/2017 | 25.50  | -7.80% | 5.99% | -9.80% | 8.20% | N.A. | N.A. |

### Summary Statement of Disclosure

| Financial Year | Total no. of IPOs | Total Funds Raised (₹ in Cr.) | Nos. of IPOs trading at discount - 30 <sup>th</sup> calendar day from listing day |                |               | Nos. of IPOs trading at premium - 30 <sup>th</sup> calendar day from listing day |                |               | Nos. of IPOs trading at discount - 180 <sup>th</sup> calendar day from listing day |                |               | Nos. of IPOs trading at premium - 180 <sup>th</sup> calendar day from listing day |                |               |
|----------------|-------------------|-------------------------------|---|----------------|---------------|--|----------------|---------------|--|----------------|---------------|---|----------------|---------------|
|                |                   |                               | Over 50%  | Between 25-50% | Less than 25% | Over 50%   | Between 25-50% | Less than 25% | Over 50%   | Between 25-50% | Less than 25% | Over 50%  | Between 25-50% | Less than 25% |
| 2017-18        | 13 <sup>(1)</sup> | 293.53                        | 1   | 1              | 1             | -  | 1              | 6             | -  | -              | -             | -   | -              | 3             |
| 2016-17        | 10                | 147.26                        | -   | 1              | -             | 1  | -              | 8             | -  | 1              | -             | 2   | 3              | 4             |
| 2015-16        | 3                 | 15.90                         | -   | -              | -             | -  | -              | 3             | -  | -              | -             | 1   | 1              | 1             |

<sup>(1)</sup> Details indicated in 2017-18 are for the IPOs completed as on date.

### Notes:

- Since the listing date of CKP Leisure Limited, Banka Biolo Limited and Medico Remedies Limited, was March 06, 2018, February 27, 2018 and February 08, 2018, information related to closing price and benchmark index as on the 30<sup>th</sup> Calendar day, 90<sup>th</sup> calendar day and 180<sup>th</sup> calendar day from the listing date is not available.
- Since the listing date of Ashoka Metcast Limited, Apollo Micro Systems Limited, S K S Textile Limited, Silly Monks Entertainment Limited and Shradha Infraprojects (Nagpur) Limited, was February 05, 2018, January 22, 2018, January 19, 2018, January 18, 2018 and December 11, 2017, respectively information related to closing price and benchmark index as on the 90<sup>th</sup> calendar day and 180<sup>th</sup> calendar day from the listing date is not available.
- Since the listing date of AKM Lace and Embrotex Limited and Shreeji Translogistics Limited was September 29, 2017 and October 13, 2017 respectively, information related to closing price and benchmark index as on 180<sup>th</sup> calendar day from the listing date is not available.
- The respective Designated Stock Exchange for each Issue has been considered as the Benchmark index for each of the above Issues.
- In the event any day falls on a holiday, the price/index of the immediate preceding working day has been considered. If the stock was not traded on the said calendar days from the date of listing, the share price is taken of the immediately preceding trading day.
- Source: [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) BSE Sensex and Nifty Fifty as the Benchmark Indices.

### Track record of past issues handled by the Lead Manager

For details regarding the track record of the Lead Manager to the Offer as specified in Circular reference CIR/MIRSD/1/ 2012 dated January 10, 2012 issued by the SEBI, please see the website of Aryaman Financial Services Limited – [www.afsl.co.in](http://www.afsl.co.in)

### Consents

Consents in writing of: (a) The Selling Shareholders, the Directors, the Chief Financial Officer, Company Secretary & Compliance Officer, Statutory Auditor and (b) the Lead Manager, Registrar to the Offer, the Legal Advisors to the Offer, Banker to the Company, Banker to the Offer, Market Maker, Underwriters, Share Escrow Agent and secured

lender NOC to act in their respective capacities, have been obtained and shall be filed along with a copy of the Prospectus with the RoC, as required under Section 26 and 28 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, M/s. LLB & Co, Chartered Accountants, Statutory Auditor, have provided their written consent to the inclusion of their report dated February 22, 2018 on Restated Financial Statements and for inclusion of the their report dated February 22, 2018 on Statement of Tax Benefits, which may be available to our Company and its shareholders, included in this Prospectus in the form and context in which they appear therein and such consents and reports have not been withdrawn up to the time of filing of this Prospectus.

### Expert Opinion

Our Company has received written consent from its Statutory Auditor namely, M/s. LLB & Co., Chartered Accountants to include their name as required under section 26(1)(a)(v) of the Companies Act, 2013 in this Prospectus and as “Expert” as defined under section 2(38) of the Companies Act, 2013 in respect of the report on the Restated Financial Statements dated February 22, 2018 and in respect of the Statement of Tax Benefits dated February 22, 2018, issued by them, included in this Prospectus and such consent has not been withdrawn as on the date of this Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

### OFFER RELATED EXPENSES

The expenses of this Offer include, among others, underwriting and management fees, Market Making Fees, selling commissions, SCSB’s commission/ fees, printing and distribution expenses, legal fees, statutory advertisement expenses, registrar and depository fees and listing fees is given below: Same as object of the Offer:-

| Sr. No.      | Particulars  | Amount (₹ in Lakhs) | % of Total Expenses | % of Total Issue size |
|--------------|--|---------------------|---------------------|-----------------------|
| 1            | Issue Management fees including fees and reimbursements of Market Making fees (1 <sup>st</sup> year), and payment to other intermediaries such as Legal Advisors, Registrars and other out of pocket expenses. | 36.80               | 73.16%              | 4.09%                 |
| 2            | Brokerage and Selling Commission, Underwriting Commission, RTAs and CDPs <sup>(1)(2)(3)(4)</sup>   | 4.50                | 8.95%               | 0.50%                 |
| 3            | Advertisement, Printing & Stationery, Marketing Expenses, etc.   | 4.00                | 7.96%               | 0.44%                 |
| 4            | Listing Fees, Market Regulatory & Other Expenses   | 5.00                | 9.94%               | 0.56%                 |
| <b>Total</b> |  | <b>50.30</b>        | <b>100.00%</b>      | <b>5.59%</b>          |

<sup>(1)</sup> The SCSBs and other intermediaries will be entitled to a commission of ₹ 10/- per every valid Application Form submitted to them and uploaded on the electronic system of the Stock Exchange by them.

<sup>(2)</sup> The SCSBs would be entitled to processing fees of ₹ 10/- per Application Form, for processing the Application Forms procured by other intermediaries and submitted to the SCSBs.

<sup>(3)</sup> Further the SCSBs and other intermediaries will be entitled to selling commission of 0.05% of the Amount Allotted (product of the number of Equity Shares Allotted and the Offer Price) for the forms directly procured by them and uploaded on the electronic system of the Stock Exchange by them.

<sup>(4)</sup> The payment towards commission and processing fees will be completed within 30 days from the date of receipt of final invoice from the respective entities.

### Fees, Brokerage and Selling Commission Payable to the Lead Manager

The total fees payable to the Lead Manager (including underwriting commission and selling commission) is as stated in the MOUs dated February 21, 2018 and its addendum dated March 09, 2018, the Underwriting Agreement dated February 21, 2018 and its addendum dated March 09, 2018 and the Market Making Agreement dated February 21, 2018 and its addendum dated March 09, 2018 among our Company, the Selling Shareholders and the Lead Manager and other parties, a copy of which will be made available for inspection at our Registered Office.

### **Fees Payable to the Registrar to the Offer**

The fees payable to the Registrar to the Offer, for processing of application, data entry, printing of refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the MoU between the Company, and the Registrar to the Offer dated February 23, 2018.

The Registrar to the Offer will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided to the Registrar to the Offer to enable it to send refund orders or Allotment advice by registered post/speed post.

### **CAPITAL ISSUE DURING THE LAST FIVE YEARS**

#### **Previous Public Issues**

We have not made any public issues in the past, and we are an “Unlisted Company” in terms of the SEBI (ICDR) Regulations and this Offer is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations.

#### **Previous Issues of Equity Shares otherwise than for Cash**

Except, as stated in the chapter titled “*Capital Structure*” beginning on page no. 52 of this Prospectus, we have not issued any Equity Shares for consideration other than for cash.

#### **Commission and Brokerage Paid on Previous Issues of our Equity Shares**

Since this is an Initial Public Offer of the Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since inception of the Company.

#### **Capital Issues in the last three (3) years by Listed Group Companies / Subsidiaries / Associates**

Our Group Company is not listed on any Stock Exchange and hence there is no Capital Issue. Further, we do not have any subsidiary as on date of this Prospectus.

### **PERFORMANCE VIS-À-VIS OBJECTS**

#### **Issuer Company**

Our Company has not made any public issue since its incorporation.

#### **Listed Group Companies / Subsidiaries / Associate Companies**

Our Group Company is not listed on any Stock Exchange and has not made any rights and public issues in the past ten (10) years. Further, we do not have any subsidiary as on date of this Prospectus.

### **OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY THE COMPANY**

Our Company has no outstanding debentures or bonds and redeemable preference shares and other instruments as on the date of this Prospectus.

#### **Stock Market Data for our Equity Shares**

This being an initial public offer of our Company, the Equity Shares of our Company are not listed on any stock exchange.

### **DISPOSAL OF INVESTOR GRIEVANCES**

#### **Mechanism for Redressal of Investor Grievances**



Our Company and the Selling Shareholders has appointed Cameo Corporate Services Limited as the Registrar to the Offer, to handle the investor grievances in co-ordination with the Compliance Officer of the Company. All grievances relating to the present Offer may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and name of bank and branch. Our Company would monitor the work of the Registrar to ensure that the investor grievances are settled expeditiously and satisfactorily.

The Registrar to the Offer will handle investor's grievances pertaining to the Offer. A fortnightly status report of the complaints received and redressed by them would be forwarded to the Company. Our Company would also be co-ordinating with the Registrar to the Offer in attending to the grievances to the investor.

All grievances relating to the ASBA process may be addressed to the SCSBs, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant. We estimate that the average time required by us or the Registrar to the Offer or the SCSBs for the redressal of routine investor grievances will be seven business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

Our Board by a resolution on December 26, 2018 constituted a Stakeholders Relationship Committee. The composition of the stakeholders Relationship Committee is as follows:

| Name of the Member        | Nature of Directorship                 | Designation in Committee |
|---------------------------|--|--------------------------|
| Mr. Perur Seshappa Prasad | Non-Executive Independent Director     | Chairman                 |
| Mrs. Mamta Shah           | Non-Executive Non-Independent Director | Member                   |
| Mr. Francis Joseph Dcosta | Non-Executive Independent Director     | Member                   |

For further details, please see the chapter titled "*Our Management*" beginning on page no. 109 of this Prospectus.

The Company has also appointed Mrs. Manisha Soni as the Company Secretary and Compliance Officer for this Offer and she may be contacted at the Registered Office of our Company.

**Name:** Mrs. Manisha Soni

**Address:** 101 Jaitirth Co-operative Housing Society, Daulat Nagar, Road no 10, Borivali (East) Mumbai 400066.

**Tel No:** +91 – 22 – 2890 6356

**Fax No.:** Not Available

**Email:** [info@giriraj.biz](mailto:info@giriraj.biz)

Investors can contact the Compliance Officer or the Registrar to the Offer or the Lead Manager in case of any pre-Offer or post-Offer related problems, such as non-receipt of letters of Allotment, credit of Allotted Equity Shares in the respective beneficiary accounts and refund orders.

### Status of Investor Complaints

We confirm that we have not received any investor complaints during the three years preceding the date of this Prospectus and hence there are no pending investor complaints as on the date of this Prospectus.

### Disposal of Investor Grievances by Listed Companies under the same Management as the Company

No company under the same management as our Company has made any public issue (including any rights issues to the public) during the last three years and hence there are no pending investor grievances.

### Change in Auditors

Our Company has changed the Statutory Auditors, appointing M/s. LLB & Co., Chartered Accountant in place of M/s. AIMV & Co., Chartered Accountants *vide* Resolution passed in the EGM dated December 26, 2017.

### Capitalisation of Reserves or Profits



Except as stated in the chapter titled “*Capital Structure*” beginning on page no. 52 of this Prospectus, our Company has not capitalised our reserves or profits during the last five years.

**Revaluation of Assets**

We have not re-valued our assets in the last 5 years.

## SECTION IX – OFFER RELATED INFORMATION

### TERMS OF THE OFFER

*The Equity Shares being offered and transferred pursuant to this Offer are subject to the provisions of the Companies Act, SEBI (ICDR) Regulations, 2009, our Memorandum and Articles of Association, the terms of this Prospectus, the Application Form, the Revision Form, the Confirmation of Allocation Note and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of this Offer. The Equity Shares shall also be subject to laws as applicable, guidelines, 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 Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable, or such other conditions as may be prescribed by SEBI, RBI, the Government of India, the Stock Exchanges, the RoC and/or any other authorities while granting its approval for the Offer.*

#### Authority for the Offer

This Offer of Equity Shares has been authorized by the Board of Directors of our Company at their meeting held on January 23, 2018 and was approved by the Shareholders of the Company by passing a Special Resolution at the Extra-Ordinary General Meeting held on February 17, 2018 in accordance with the provisions of Section 62 (1)(C) of the Companies Act, 2013.

The Offer for Sale has been authorised by the Selling Shareholders by their consent letter dated January 23, 2018. The number of Equity Shares offered by each Selling Shareholders is as follows:

| Sr. No.                                   | Name of the Selling Shareholder | No. of Equity Shares Offered |
|---|---------------------------------|------------------------------|
| <b>Promoter Selling Shareholders</b>      |                                 |                              |
| 1   | Mr. Mahesh Shah                 | 2,50,800                     |
| 2   | Mrs. Mamta Shah                 | 99,600                       |
| <b>Promoter Group Selling Shareholder</b> |                                 |                              |
| 3   | Mahesh K Shah (HUF)             | 2,49,600                     |
| <b>Total</b>                              |                                 | <b>6,00,000</b>              |

The Selling Shareholders have severally confirmed that the Equity Shares proposed to be offered and sold in the Offer are eligible in term of SEBI (ICDR) Regulations and that they have not been prohibited from dealings in securities market and the Equity Shares offered and sold are free from any lien, encumbrance or third party rights. The Selling Shareholders have also severally confirmed that they are the legal and beneficial owners of the Equity Shares being offered by them under the Offer for Sale.

#### Offer for Sale

The Offer comprises of a Fresh Issue and an Offer for Sale by the Selling Shareholders. The fees and expenses relating to the Offer shall be shared in the proportion mutually agreed between the Company and the respective Selling Shareholders in accordance with applicable law. However, for ease of operations, expenses of the Selling Shareholders may, at the outset, be borne by our Company on behalf of the Selling Shareholders, and the Selling Shareholders agree that they will reimburse our Company all such expenses.

#### Ranking of Equity Shares

The Equity Shares being issued and transferred pursuant to the Offer shall be subject to the provisions of the Companies Act, our Memorandum and Articles of Association and shall rank *pari- passu* in all respects including dividend with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment.

For further details, please see the section titled "Main Provisions of the Articles of Association", beginning on page no. 243 of this Prospectus.

## Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act, 2013, the Memorandum and Articles of Association, and recommended by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. In respect of the Offer for Sale, all dividends, if any, declared by our Company after the date of Allotment, will be payable to the Bidders who have been issued and allotted Equity Shares in such Offer for the entire year. For further details, please refer the chapter titled "*Dividend Policy*" and "*Main Provisions of Article of Association*" beginning on page nos. 129 and 243 respectively of this Prospectus.

## Face Value and Offer Price

The Equity Shares having a face value of ₹ 10 each are being offered in terms of this Prospectus at the price of ₹ 100 per Equity Share. The Offer Price is decided by our Company and the Selling Shareholders, in consultation with the Lead Manager and is justified under the section titled "*Basis of Offer Price*" beginning on page no. 69 of this Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

## Compliance with the disclosure and accounting norms

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations. Our Company shall also comply with all disclosure and accounting norms as specified by SEBI from time to time.

## Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

- ✓ Right to receive dividend, if declared;
- ✓ Right to attend general meetings and exercise voting rights, unless prohibited by law;
- ✓ Right to vote on a poll either in person or by proxy;
- ✓ Right to receive offer for rights shares and be allotted bonus shares, if announced;
- ✓ Right to receive surplus on liquidation;
- ✓ Right of free transferability; and
- ✓ Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, the Listing Regulations and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien and / or consolidation / splitting, etc., please refer the section titled "*Main Provisions of Articles of Association*" beginning on page no. 243 of this Prospectus.

## Minimum Application Value; Market Lot and Trading Lot

In terms of Section 29 of Companies Act, 2013, the Equity Shares shall be allotted only in dematerialised form. As per the SEBI Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar and Share Transfer Agent to the Offer:

- 1) Tripartite agreement dated March 07, 2018 between our Company, NSDL and the Registrar and Share Transfer Agent to the Offer.
- 2) Tripartite agreement dated March 05, 2018 between our Company, CDSL and the Registrar and Share Transfer Agent to the Offer.

Trading of the Equity Shares will happen in the minimum contract size of 1,200 (One Thousand Two Hundred) Equity Shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012 and the same may be modified by EMERGE Platform of NSE from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Offer will be done in multiples of 1,200 Equity Share subject to a minimum allotment of 1,200 (One Thousand Two Hundred) Equity Shares to the successful Applicants.

### **Minimum Number of Allottees**

In accordance with Regulation 106R of SEBI (ICDR) Regulations, the minimum number of allottees in this Offer shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Offer and the monies collected shall be refunded within 6 Working days of closure of Offer.

### **Joint Holders**

Where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

### **Nomination Facility to Investor**

In accordance with Section 72 (1) & 72 (2) of the Companies Act, 2013, the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 (3) of the Companies Act, 2013, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in accordance to Section 72 (4) of the Companies Act, 2013, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Articles of Association of the Company, any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

- ✓ to register himself or herself as the holder of the Equity Shares; or
- ✓ to make such transfer of the Equity Shares, as the deceased holder could have made

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety 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. In case the allotment of Equity Shares is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

### **Withdrawal of the Offer**

Our Company and the Selling Shareholders, in consultation with the Lead Manager, reserves the right not to proceed with the Offer at any time after the Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The Lead Manager, through the Registrar to the Offer, shall notify the SCSBs to unblock the bank accounts of the ASBA Applicants within one day of receipt of such notification. Our Company shall also promptly inform the Stock Exchange on which the Equity Shares were proposed to be listed.

If our Company and/or the Selling Shareholders withdraws the Offer after the Offer Closing Date and thereafter determines that it will proceed with an Offer of the Equity Shares, our Company shall file a fresh Draft Offer Document. Notwithstanding the foregoing, the Offer is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment.

## OFFER PROGRAMME

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

| Event   | Indicative Date |
|---|-----------------|
| Offer Opening Date  | March 19, 2018  |
| Offer Closing Date  | March 21, 2018  |
| Finalisation of Basis of Allotment with the Designated Stock Exchange | March 26, 2018  |
| Initiation of Refunds   | March 27, 2018  |
| Credit of Equity Shares to demat accounts of Allottees                | March 28, 2018  |
| Commencement of trading of the Equity Shares on the Stock Exchange    | April 02, 2018  |

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

Applications and any revision to the same shall be accepted **only between 10.00 a. m. and 5.00 p. m. (IST)** during the Offer Period. On the Offer Closing Date, the Applications and any revision to the same shall be accepted only between **10.00 a. m. and 3.00 p. m. (IST)** or such extended time as permitted by the Stock Exchanges, in case of Applications by Retail Individual Applicants after taking into account the total number of applications received up to the closure of timings and reported by the Lead Manager to the Stock Exchanges. It is clarified that Applications not uploaded on the electronic system would be rejected. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the Applications on the Offer Closing Date, the Applicants are advised to submit their Applications one day prior to the Offer Closing Date and, in any case, no later than 3.00 p.m. (IST) on the Offer Closing Date. All times mentioned in this Prospectus are Indian Standard Times. Applicants are cautioned that in the event a large number of Applications are received on the Offer Closing Date, as is typically experienced in public offerings, some Applications may not get uploaded due to lack of sufficient time. Such Applications that cannot be uploaded will not be considered for allocation under the Offer. Applications will be accepted only on Business Days. Neither our Company nor the Lead Manager is liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise.

In accordance with the SEBI Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their Applications (in terms of the quantity of the Equity Shares or the Applications Amount) at any stage. Retail Individual Applicants can revise or withdraw their Applications prior to the Offer Closing Date. Except Allocation to Retail Individual Investors, Allocation in the Offer will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Application Form, for a particular Applicant, the details as per the file received from the Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Application Form, for a particular ASBA Applicant, the Registrar to the Offer shall ask the relevant SCSBs / RTAs / DPs / Stock Brokers, as the case may be, for rectified data.

### Minimum Subscription

The requirement for 90% minimum subscription in terms of Regulation 14 of the ICDR Regulations is not applicable to the Offer. In terms of Regulation 106P(1) of the ICDR Regulations, the Offer is not restricted to any minimum subscription level and is 100% underwritten. Further, pursuant to Regulation 106R of the ICDR Regulations, our Company shall ensure that the number of prospective allottees to whom Equity Shares will be allotted shall not be less than 50.

If we do not receive the subscription of 100% of the Offer through this offer document including devolvment of Underwriters within sixty days from the date of closure of the Offer, we shall forthwith refund the entire subscription

amount received. If there is a delay beyond eight days after we become liable to pay the amount, we shall pay interest prescribed under the applicable provisions of the Companies Act, 2013.

### **Arrangements for Disposal of Odd Lots**

The trading of the Equity Shares will happen in the minimum contract size of 1,200 shares. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the EMERGE platform of NSE.

### **Restrictions, if any, on transfer and transmission of shares or debentures and on their consolidation or splitting**

For a detailed description in respect of restrictions, if any, on transfer and transmission of shares and on their consolidation / splitting, please refer the section titled “*Main Provisions of the Articles of Association*” beginning on page no. 243 of this Prospectus.

### **New Financial Instruments**

Our Company is not issuing any new financial instruments through this Offer.

### **Option to receive Equity Shares in Dematerialized Form**

As per Section 29(1) of the Companies Act, 2013, allotment of Equity Shares will be made only in dematerialized form.

As per SEBI’s circular RMB (compendium) series circular no. 2 (1999-2000) dated February 16, 2000, it has been decided by the SEBI that trading in securities of companies making an initial public offer shall be in Dematerialised form only. The Equity Shares on Allotment will be traded only on the dematerialized segment of the EMERGE Platform of NSE.

### **Migration to Main Board**

In accordance with the NSE Circular dated March 10, 2014, our Company will have to be mandatorily listed and traded on the EMERGE Platform of the NSE for a minimum period of two years from the date of listing and only after that it can migrate to the Main Board of the NSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter XB of the SEBI (ICDR) Regulations.

As per the provisions of the Chapter XB of the SEBI (ICDR) Regulation, 2009, our Company may migrate to the main board of NSE from the EMERGE platform on a later date subject to the following:

- If the Paid up Capital of the Company is likely to increase above ₹ 25 Crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the Company has obtained in-principal approval from the main board), we shall have to apply to NSE for listing our shares on its main board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board
- If the Paid up Capital of the company is more than ₹ 10 crores but below ₹ 25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

### **Market Making**

The shares offered through this Offer are proposed to be listed on the EMERGE Platform of NSE (SME Exchange), wherein the Lead Manager to this Offer shall ensure compulsory Market Making through the registered Market Maker of the SME Exchange for a minimum period of three years from the date of listing on the EMERGE Platform of NSE.

For further details of the agreement entered into between our Company, the Lead Manager and the Market Maker, please refer the chapter titled "*General Information - Details of the Market Making Arrangement for this Offer*" beginning on page no. 50 of this Prospectus.

**Jurisdiction**

Exclusive jurisdiction for the purpose of this Offer is with the competent courts / authorities in Mumbai. The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States, and may not be offered or sold within the United States, except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions 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 applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.



## OFFER STRUCTURE

This Offer is being made in terms of Regulation 106 (M) (1) of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, a Company whose post issue/Offer face value capital does not exceed ten crore rupees, shall issue/Offer shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the EMERGE Platform of NSE). For further details regarding the salient features and terms of such this Offer, please refer the chapters titled "Terms of the Offer" and "Offer Procedure" beginning on page nos. 189 and 197 respectively, of this Prospectus.

### Offer Structure:

*Initial Public Offer of 9,00,000 Equity Shares of ₹ 10 each (the "Equity Shares") for cash at a price of ₹ 100 per Equity Share (including a Share premium of ₹ 90 per Equity Share) aggregating to ₹ 900.00 Lakhs ("the Offer") by Giriraj Civil Developers Limited ("GCDL" or our "Company").*

*The Offer comprises a Net Offer to Public of 8,52,000 Equity Shares of ₹ 10 each ("the Net Offer"), and a reservation of 48,000 Equity Shares of ₹ 10 each for subscription by the designated Market Maker ("the Market Maker Reservation Portion"). The Offer and the Net Offer will constitute 27.74% and 26.26%, respectively of the post Offer paid up equity share capital of our Company. The Offer is being made through the Fixed Price Process:*

| Particulars of the Offer                          | Net Offer to Public  | Market Maker Reservation Portion  |
|---|--|---|
| Number of Equity Shares available for allocation  | 8,52,000 Equity Shares   | 48,000 Equity Shares  |
| Percentage of Offer Size available for allocation | 94.67% of the Offer Size   | 5.33% of the Offer Size   |
| Basis of Allotment                                | Proportionate subject to minimum allotment of 1,200 Equity Shares and further allotment in multiples of 1,200 Equity Shares each. For further details please refer to the "Basis of Allotment" on page no. 232 of this Prospectus.   | Firm Allotment  |
| Minimum Application Size                          | <p><i>For QIB and NII:</i></p> <p>Such number of Equity Shares in multiples of 1,200 Equity Shares such that the Application Value exceeds ₹ 2,00,000</p> <p><i>For Retail Individuals:</i></p> <p>1,200 Equity Shares</p>   | 48,000 Equity Shares  |
| Maximum Application Size                          | <p><i>For QIB and NII:</i></p> <p>Such number of Equity Shares in multiples of 1,200 Equity Shares such that the Application Size does not exceed 8,52,000 Equity Shares.</p> <p><i>For Retail Individuals:</i></p> <p>Such number of Equity Shares in multiples of 1,200 Equity Shares such that the Application Value does not exceed ₹ 2,00,000</p> | 48,000 Equity Shares  |
| Mode of Allotment                                 | Dematerialized Form  | Dematerialized Form   |
| Trading Lot                                       | 1,200 Equity Shares  | 1,200 Equity Shares, However the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2009. |
| Terms of Payment                                  | The entire Application Amount will be payable at the time of submission of the Application Form.   |   |
| Application Lot Size                              | 1,200 Equity Shares and in multiples of 1,200 Equity Shares thereafter   |   |

- 1) 50% of the Equity Share offered are reserved for allocation to Applicants below or equal to ₹ 2.00 Lakhs and the balance for higher amount Applications.
- 2) In case of joint Applications, the Application Form should contain only the name of the First Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Applicant would be required in the Application Form and such First Applicant would be deemed to have signed on behalf of the joint holders.
- 3) Applicants will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders name, the Lead Manager, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares in this Offer.
- 4) SCSBs applying in the Offer must apply through an ASBA Account maintained with any other SCSB.

### Lot Size

SEBI vide circular CIR/MRD/DSA/06/2012 dated February 21, 2012 (the “Circular”) standardized the lot size for Initial Public Offer proposing to list on SME exchange/platform and for the secondary market trading on such exchange/platform, as under:

| Offer Price (in ₹ )     | Lot Size (No. of shares) |
|-------------------------|--------------------------|
| Upto 14                 | 10000                    |
| More than 14 upto 18    | 8000                     |
| More than 18 upto 25    | 6000                     |
| More than 25 upto 35    | 4000                     |
| More than 35 upto 50    | 3000                     |
| More than 50 upto 70    | 2000                     |
| More than 70 upto 90    | 1600                     |
| More than 90 upto 120   | 1200                     |
| More than 120 upto 150  | 1000                     |
| More than 150 upto 180  | 800                      |
| More than 180 upto 250  | 600                      |
| More than 250 upto 350  | 400                      |
| More than 350 upto 500  | 300                      |
| More than 500 upto 600  | 240                      |
| More than 600 upto 750  | 200                      |
| More than 750 upto 1000 | 160                      |
| Above 1000              | 100                      |

Further to the Circular, at the Initial Public Offer stage the Registrar to Offer in consultation with Lead Manager, our Company and NSE shall ensure to finalize the basis of allotment in minimum lots and in multiples of minimum lot size, as per the above given table. The secondary market trading lot size shall be the same, as shall be the IPO Lot Size at the application/allotment stage, facilitating secondary market trading.

## OFFER PROCEDURE

All Applicants should review the General Information Document for Investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI ("General Information Document"), included below under "**Part B – General Information Document**", which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI ICDR Regulations. The General Information Document has been updated to include reference to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 and certain notified provisions of the Companies Act 2013, to the extent applicable to a public issue. The General Information Document would be made available with the Lead Manager and would also be made available on the websites of the Stock Exchanges and the Lead Manager before opening of Offer. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer.

Our Company, the Selling Shareholders and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and shall not be liable for any amendment, modification or change in the applicable law which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that their Applications are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Prospectus.

Please note that all the Applicants can participate in the Offer only through the ASBA process. All Applicants shall ensure that the ASBA Account has sufficient credit balance such that the full Application Amount can be blocked by the SCSB at the time of submitting the Application. Applicants applying through the ASBA process should carefully read the provisions applicable to such applications before making their application through the ASBA process. Please note that all Applicants are required to make payment of the full Application Amount along with the Application Form. In case of ASBA Applicants, an amount equivalent to the full Application Amount will be blocked by the SCSBs.

ASBA Applicants are required to submit ASBA Applications to the Selected Branches / Offices of the RTAs, DPs, Designated Bank Branches of SCSBs. The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <http://www.sebi.gov.in>. For details on designated branches of SCSB collecting the Application Form, please refer the above mentioned SEBI link. The list of Stock Brokers, Depository Participants ("DP"), Registrar to an Offer and Share Transfer Agent ("RTA") that have been notified by NSE to act as intermediaries for submitting Application Forms are provided on <http://www.nseindia.com>. For details on their designated branches for submitting Application Forms, please see the above mentioned NSE website.

Pursuant to the SEBI (Issue of Capital and Disclosure Requirements) (Fifth Amendment) Regulations, 2015, the ASBA process become mandatory for all investors w.e.f. January 1, 2016 and it allows the registrar, share transfer agents, depository participants and stock brokers to accept application forms.

## PART A

### FIXED PRICE OFFER PROCEDURE

The Offer is being made in compliance with the provisions of Reg. 106(M)(1) of Chapter XB of the SEBI (ICDR) Regulations, 2009 and through the Fixed Price Process wherein 50% of the Net Offer to Public is being offered to the Retail Individual Applicants and the balance shall be offered to Non Retail Category i.e. QIBs and Non-Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject to valid Applications being received from them at or above the Offer Price.

Subject to the valid Applications being received at or above the Offer Price, allocation to all categories in the Net Offer, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Applicants shall not be less than the minimum lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription, if any, in any category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange.

**Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialised form. The Application Forms which do not have the**

details of the Applicant's depository account including DP ID, PAN and Beneficiary Account Number shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic application system of the stock exchanges, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected. Applicants will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchanges.

## APPLICATION FORM

Copies of the Application Form and the abridged prospectus will be available at the offices of the Lead Manager, the Designated Intermediaries, and Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the NSE (www.nseindia.com), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Offer Opening Date.

All Applicants shall mandatorily participate in the Offer only through the ASBA process. ASBA Applicants must provide bank account details and authorisation to block funds in the relevant space provided in the Application Form and the Application Forms that do not contain such details are liable to be rejected.

ASBA Applicants shall ensure that the Applications are made on Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection Centres only (except in case of electronic Application Forms) and the Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Application Form for various categories is as follows:

| Category  | Colour <sup>(1)</sup> |
|---|-----------------------|
| Resident Indians and Eligible NRIs applying on a non-repatriation basis             | White                 |
| Non-Residents and Eligible NRIs, FIIs, FVCIs, etc. applying on a repatriation basis | Blue                  |

<sup>(1)</sup>excluding electronic Application Form

Designated Intermediaries shall submit Application Forms to SCSBs and shall not submit it to any non-SCSB bank.

## Who Can Apply?

- Indian nationals resident in India, who are not minors (except through their Legal Guardians), in single or joint names (not more than three);
- Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: —Name of Sole or First Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
- Companies, Corporate Bodies and Societies registered under the applicable laws in India and authorised to invest in equity shares;
- Mutual Funds registered with SEBI;
- Eligible NRIs on a repatriation basis or on a non-repatriation basis subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Offer;
- Indian financial institutions, scheduled commercial banks (excluding foreign banks), regional rural banks, co-operative banks (subject to RBI regulations and the SEBI Regulations and other laws, as applicable);
- FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or foreign individual under the QIB portion;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals only under the Non-Institutional Applications portion;
- VCFs registered with SEBI;

10. FVCIs registered with SEBI;
11. Eligible QFIs;
12. Foreign Nationals and other non-residents (subject to eligibility norms specified in SEBI FPI Regulations, 2014 and other applicable provisions)
13. Multilateral and bilateral development financial institutions;
14. State Industrial Development Corporations;
15. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares;
16. Scientific and/or industrial research organizations authorized in India to invest in equity shares;
17. Insurance companies registered with Insurance Regulatory and Development Authority;
18. Provident Funds with a minimum corpus of ₹ 250 million and who are authorised under their constitution to hold and invest in equity shares;
19. Pension Funds with a minimum corpus of ₹ 250 million and who are authorised under their constitution to hold and invest in equity shares;
20. Limited liability partnerships;
21. National Investment Fund set up by resolution no. F.NO.2/3/2005-DDII dated November 23, 2005 of the GoI, published in the Gazette of India;
22. Nominated Investor and Market Maker
23. Insurance funds set up and managed by the army, navy or air force of the Union of India and by the Department of Posts, India
24. Any other person eligible to Apply in this Offer, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws.

***As per the existing policy of the Government of India, OCBs cannot participate in this Offer. Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law.***

**Applications not to be made by:**

1. Minors (except through their Legal Guardians)
2. Partnership firms or their nominations
3. Overseas Corporate Bodies

**Maximum and Minimum Application Size**

***a) For Retail Individual Applicants:***

The Application must be for a minimum of 1,200 Equity Shares and in multiples of 1,200 Equity Shares thereafter, so as to ensure that the Application Amount payable by the Applicant does not exceed ₹ 2,00,000. In case of revision of the Application, the Retail Individual Applicants have to ensure that the Application Amount does not exceed ₹ 2,00,000.

**b) For Other Applicants (Non-Institutional Applicants and QIBs):**

The Application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds ₹ 2,00,000 and in multiples of 1,200 Equity Shares thereafter. Application cannot be submitted for more than the Offer Size. However, the maximum application size by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. **A QIB and a Non-Institutional Applicant cannot withdraw or lower the size of their Application at any stage and are required to pay the entire Application Amount upon submission of the Application.**

The identity of QIBs applying in the Net Offer shall not be made public during the Offer Period. In case of revision in Application, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

**Information for the Applicants**

- a) Our Company shall file the Prospectus with the RoC at least three working days before the Offer Opening Date.
- b) Our Company shall, after registering the Prospectus with the RoC, make a pre-Offer advertisement, in the form prescribed under the ICDR Regulations, in English and Hindi national newspapers and one regional newspaper with wide circulation. In the pre-Offer advertisement, our Company and the Lead Manager shall advertise the Offer Opening Date, the Offer Closing Date. This advertisement, subject to the provisions of the Companies Act, shall be in the format prescribed in Part A of Schedule XIII of the ICDR Regulations.
- c) Copies of the Application Form and the abridged prospectus will be available at the offices of the Lead Manager, the Designated Intermediaries, and Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the NSE ([www.nseindia.com](http://www.nseindia.com)), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Offer Opening Date.
- d) Applicants who are interested in subscribing to the Equity Shares should approach any of the Application Collecting Intermediaries or their authorized agent(s).
- e) Application should be submitted in the prescribed Application Form only. Application Forms submitted to the SCSBs should bear the stamp of the respective intermediary to whom the application form is submitted. Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and / or the Designated Branch.
- f) The Application Form can be submitted either in physical or electronic mode, to the Application Collecting Intermediaries. Further Application Collecting Intermediary may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account.

**The Applicants should note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic system of the Stock Exchanges does not match with the PAN, DP ID and Client ID available in the database of Depositories, the Application Form is liable to be rejected.**

**Availability of the Prospectus and the Application Forms:**

Copies of the Application Form and the abridged prospectus will be available at the offices of the Lead Manager, the Designated Intermediaries, and Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the NSE ([www.nseindia.com](http://www.nseindia.com)), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Offer Opening Date.

**Participation by associates and affiliates of the Lead Manager**

The Lead Manager shall not be allowed to subscribe to this Offer in any manner except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Lead Manager may subscribe to Equity Shares in the Offer in non Retail Portion, where the allocation is on a proportionate basis.



### **Applications by Mutual Funds**

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to reject the Application without assigning any reason thereof.

Applications made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Applications are made.

**In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.**

**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 schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.**

### **Applications by Eligible NRIs**

NRIs may obtain copies of Application Form from the offices of the Lead Manager and the Designated Intermediaries. Eligible NRI Applicants applying on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") ASBA Accounts, and eligible NRI Applicants applying on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary ("NRO") accounts for the full Application Amount, at the time of the submission of the Application Form.

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents (white in colour).

Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for Non-Residents (blue in colour).

### **Applications by FPI and FIIs**

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or a sub-account may participate in this Offer, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations. Further, a qualified foreign investor who had not obtained a certificate of registration as an FPI could only continue to buy, sell or otherwise deal in securities until January 6, 2015. Hence, such qualified foreign investors who have not registered as FPIs under the SEBI FPI Regulations shall not be eligible to participate in this Offer.

In case of Applications made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached to the Application Form, failing which our Company reserves the right to reject any application without assigning any reason. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Offer, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Applications made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the Application Form, failing which our Company reserves the right to reject any Application without assigning any reason.

In terms of the SEBI FPI Regulations, the Offer of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10.00% of our post-Offer Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10.00% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24.00% of the paid-up Equity Share capital of our Company. The aggregate limit of 24.00% may be increased up to the sectorial cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the



Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limits an FII or sub account in our Company is 10.00% and 24.00% 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 and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

FPIs who wish to participate in the Offer are advised to use the Application Form for Non-Residents (blue in colour).

#### **Applications by SEBI registered VCFs, AIFs and FVCIs**

The SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

**Our Company, the Selling Shareholders or the Lead Manager will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.**

**There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.**

#### **Applications by Limited Liability Partnerships**

In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing this, our Company and the Selling Shareholders reserves the right to reject any Application without assigning any reason thereof.

#### **Applications by Insurance Companies**

In case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company and the Selling

Shareholders reserves the right to reject any Application without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

- 1) equity shares of a company: the least of 10.00% of the investee company's subscribed capital (face value) or 10.00% of the respective fund in case of life insurer or 10.00% of investment assets in case of general insurer or reinsurer;
- 2) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- 3) the industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be.

Insurance companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

#### **Applications by Provident Funds / Pension Funds**

In case of Applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 250.00 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application, without assigning any reason thereof.

#### **Applications by Banking Companies**

In case of Applications made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Application Form, failing which our Company and the Selling Shareholders reserve the right to reject any Application without assigning any reason.

The investment limit for banking companies as per the Banking Regulation Act, 1949, as amended, is 30.00% of the paid up share capital of the investee company or 30.00% of the banks' own paid up share capital and reserves, whichever is less (except in certain specified exceptions, such as setting up or investing in a subsidiary, which requires RBI approval). Further, the RBI Master Circular of July 1, 2015 sets forth prudential norms required to be followed for classification, valuation and operation of investment portfolio of banking companies.

#### **Applications by SCSBs**

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

#### **Applications under Power of Attorney**

In case of Applications made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with a minimum corpus of ₹ 250 million (subject to applicable law) 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 Application Form. Failing this, our Company and the Selling Shareholders reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

- a) With respect to Applications by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form.
- b) With respect to Applications by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Application Form.
- c) With respect to Applications made by provident funds with a minimum corpus of ₹ 250 million (subject to applicable law) and pension funds with a 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 lodged along with the Application Form.
- d) With respect to Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form.
- e) Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application form, subject to such terms and conditions that our Company, the Selling Shareholders and the Lead Manager may deem fit.

**The above information is given for the benefit of the Applicants. Our Company, the Selling Shareholders and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and Applicants are advised to ensure that any single Application from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Prospectus.**

## **General Instructions**

### **Do's:**

- 1) Check if you are eligible to apply as per the terms of this Prospectus and under applicable law, rules, regulations, guidelines and approvals;
- 2) Read all the instructions carefully and complete the Application Form in the prescribed form;
- 3) Ensure that the details about the PAN, DP ID and Client ID are correct and the Applicants depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
- 4) Ensure that your Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary;
- 5) If the first applicant is not the account holder, ensure that the Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Application Form;
- 6) Ensure that the signature of the First Applicant in case of joint Applications, is included in the Application Forms;
- 7) Ensure that the name(s) given in the 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 Applications, the Application Form should contain only the name of the First Applicant whose name should also appear as the first holder of the beneficiary account held in joint names;
- 8) Ensure that you request for and receive a stamped acknowledgement of your Application;
- 9) Ensure that you have funds equal to the Application Amount in the ASBA Account maintained with the SCSB before submitting the Application Form under the ASBA process to the respective member of the SCSBs, the Registered Broker (at the Broker Centres), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);

- 10) Submit revised Applications to the same Designated Intermediary, through whom the original Application was placed and obtain a revised acknowledgment;
- 11) Except for Applications (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) Applications by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Applicants 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;
- 12) Ensure that the Demographic Details are updated, true and correct in all respects;
- 13) 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;
- 14) Ensure that the category and the investor status is indicated;
- 15) Ensure that in case of Applications under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
- 16) Ensure that Applications submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
- 17) Applicants should note that in case the DP ID, Client ID and the PAN mentioned in their 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 Applications are liable to be rejected. Where the 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 Application Form;
- 18) Ensure that the Application Forms are delivered by the Applicants within the time prescribed as per the Application Form and the Prospectus;
- 19) Ensure that you have mentioned the correct ASBA Account number in the Application Form;
- 20) Ensure that you have correctly signed the authorisation/undertaking box in the 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 Application Amount mentioned in the Application Form at the time of submission of the Application;
- 21) Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and
- 22) The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

**Don'ts:**

- 1) Do not apply for lower than the minimum Application size;
- 2) Do not apply at a Price different from the Price mentioned herein or in the Application Form;
- 3) Do not pay the Application Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
- 4) Do not send Application Forms by post; instead submit the same to the Designated Intermediary only;

- 5) Do not submit the Application Forms to any non-SCSB bank or our Company;
- 6) Do not apply on a Application Form that does not have the stamp of the relevant Designated Intermediary;
- 7) Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
- 8) Do not apply for a Application Amount exceeding ₹ 200,000 (for Applications by Retail Individual Applicants);
- 9) Do not fill up the Application Form such that the Equity Shares applied for exceeds the Offer 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 Prospectus;
- 10) Do not submit the General Index Register number instead of the PAN;
- 11) Do not submit the Application without ensuring that funds equivalent to the entire Application Amount are blocked in the relevant ASBA Account;
- 12) Do not submit Applications on plain paper or on incomplete or illegible Application Forms or on Application Forms in a colour prescribed for another category of Applicant;
- 13) Do not submit a Application in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
- 14) Do not apply 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);
- 15) Do not submit more than five Application Forms per ASBA Account;

The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

#### **Issuance of a Confirmation of Allocation Note (“CAN”) and Allotment in the Offer**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Offer shall send to the SCSBs a list of their Applicants who have been allocated Equity Shares in the Offer.
2. The Registrar will then dispatch a CAN to their Applicants who have been allocated Equity Shares in the Offer. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Applicant.

#### **Payment instructions**

The entire Offer price of ₹ 100 per Equity Share is payable on Application. In case of allotment of lesser number of Equity Shares than the number applied, then the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Applicants.

SCSBs will transfer the amount as per the instruction received by the Registrar to the Public Offer Bank Account. The balance amount after transfer to the Public Offer Account shall be unblocked by the SCSBs.

The Applicants shall specify the bank account details in the Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal / rejection of the application or receipt of instructions from the Registrar to unblock the Application Amount. However, Not Retails Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Offer shall give instruction to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment in the Offer and consequent transfer of the Application Amount to the Public Offer Account, or until withdrawal / failure of the Offer or until rejection of the application, as the case may be.

Pursuant to the SEBI (Issue of Capital and Disclosure Requirements) (Fifth Amendment) Regulations, 2015, the ASBA process become mandatory for all investors w.e.f. January 1, 2016 and it allows the registrar, share transfer agents, depository participants and stock brokers to accept application forms.

### **Pre-Offer Advertisement**

Subject to Section 30 of the Companies Act, our Company shall, after registering the Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed by the SEBI Regulations, in one English language national daily newspaper, one Hindi language national daily newspaper and one regional language daily newspaper, each with wide circulation. In the pre-Offer advertisement, we shall state the Offer Opening Date and the Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule XIII of the SEBI Regulations.

### **Signing of the Underwriting Agreement and the RoC Filing**

- a) Our Company, the Lead Manager and the Market Maker have entered into an Underwriting Agreement on February 21, 2018.
- b) For terms of the Underwriting Agreement please see chapter titled “*General Information*” beginning on page no. 44 of this Prospectus.
- c) We will file a copy of the Prospectus with the RoC in terms of Section 26, 28 and all other provision applicable as per Companies Act.

### **Communications**

All future communications in connection with Applications made in this Offer should be addressed to the Registrar quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application Form, name and address of the SCSB / Designated Intermediary, where the Application was submitted and bank account number in which the amount equivalent to the Application Amount was blocked.

Applicants can contact the Compliance Officer or the Registrar in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, credit of allotted shares in the respective beneficiary accounts, refund orders etc. In case of ASBA Applications submitted to the Designated Branches of the SCSBs, the Applicants can contact the Designated Branches of the SCSBs.

### **Impersonation**

**Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 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.



## **Undertaking by our Company**

We undertake the following:

- 1) If our Company does not proceed with the Offer after the Offer Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Offer Closing Date. The public notice shall be issued in the same newspapers where the Pre-Offer 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 Offer after the Offer 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 Offer;
- 3) The complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;
- 4) All steps 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 are taken within six Working Days of the Offer 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 and Share Transfer Agent to the Offer by our Company;
- 6) Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period;
- 7) The certificates of the securities/refund orders to Eligible NRIs shall be dispatched within specified time;
- 8) No further Offer of Equity Shares shall be made till the Equity Shares issued through the Prospectus are listed or until the Bid monies are refunded /unblocked in ASBA Account on account of non-listing, under-subscription etc;
- 9) Adequate arrangements shall be made to collect all Application Forms and

## **Undertakings by the Selling Shareholders**

Each Selling Shareholder severally undertakes that:

- 1) it shall deposit its Equity Shares offered in the Offer in an escrow account opened with the Registrar to the Offer at least one Working Day prior to the Bid/ Offer Opening Date;
- 2) it shall not have any recourse to the proceeds of the Offer for Sale until final listing and trading approvals have been received from the Stock Exchanges;
- 3) it shall take all steps and provide all assistance to our Company and the Lead Manager, as may be required for the 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 from the Offer Closing Date of the Offer, failing which it shall forthwith repay without interest all monies received from Bidders to the extent of the Offered Shares. In case of delay, interest as per applicable law shall be paid by the Selling Shareholder;
- 4) it shall not offer, lend, pledge, charge, transfer or otherwise encumber, sell, dispose off any of the Equity Shares held by it except the Equity Shares being offered in the Offer for Sale until such time that the lock-in remains effective save and except as may be permitted under the SEBI Regulations;
- 5) it shall ensure that the Equity Shares being offered by it in the Offer, shall be transferred to the successful Bidders within the time specified under applicable law; and

it shall give appropriate instructions for dispatch of the refund orders or Allotment Advice to successful Bidders within the time specified under applicable law.



### **Utilization of Offer Proceeds**

The Board of Directors of our Company certifies that:

- 1) All monies received out of the Offer shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act, 2013;
- 2) Details of all monies utilized out of the Fresh Issue shall be disclosed under an appropriate head in our balance sheet indicating the purpose for which such monies have been utilized under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised;
- 3) Details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under the appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested and
- 4) Our Company shall comply with the requirements of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Fresh Issue.

Our Company shall not have recourse to the Fresh Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

## 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 Offers. 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 Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“SEBI ICDR Regulations, 2009”).

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 Offer are set out in the Red Herring Prospectus (“RHP”) / Prospectus filed by the Issuer with the Registrar of Companies (“RoC”). 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 Offer. 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 Offer 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, 2009. 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, 2009, the Companies Act, 2013, the Companies Act, 1956 (to the extent applicable), the Securities Contracts (Regulation) Rules, 1957 (the “SCRR”), 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, 2009, an Issuer can either determine the Offer Price through the Book Building Process (“Book Built Issue”) or undertake a Fixed Price Offer (“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-offer advertisement was given at least five Working Days before the Bid/Offer Opening Date, in case of an IPO and at least one Working Day before the Bid/Offer Opening Date, in case of an FPO.

The Floor Price or the Offer price cannot be lesser than the face value of the securities.

Bidders/Applicants should refer to the RHP/Prospectus or Offer advertisements to check whether the Offer 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).

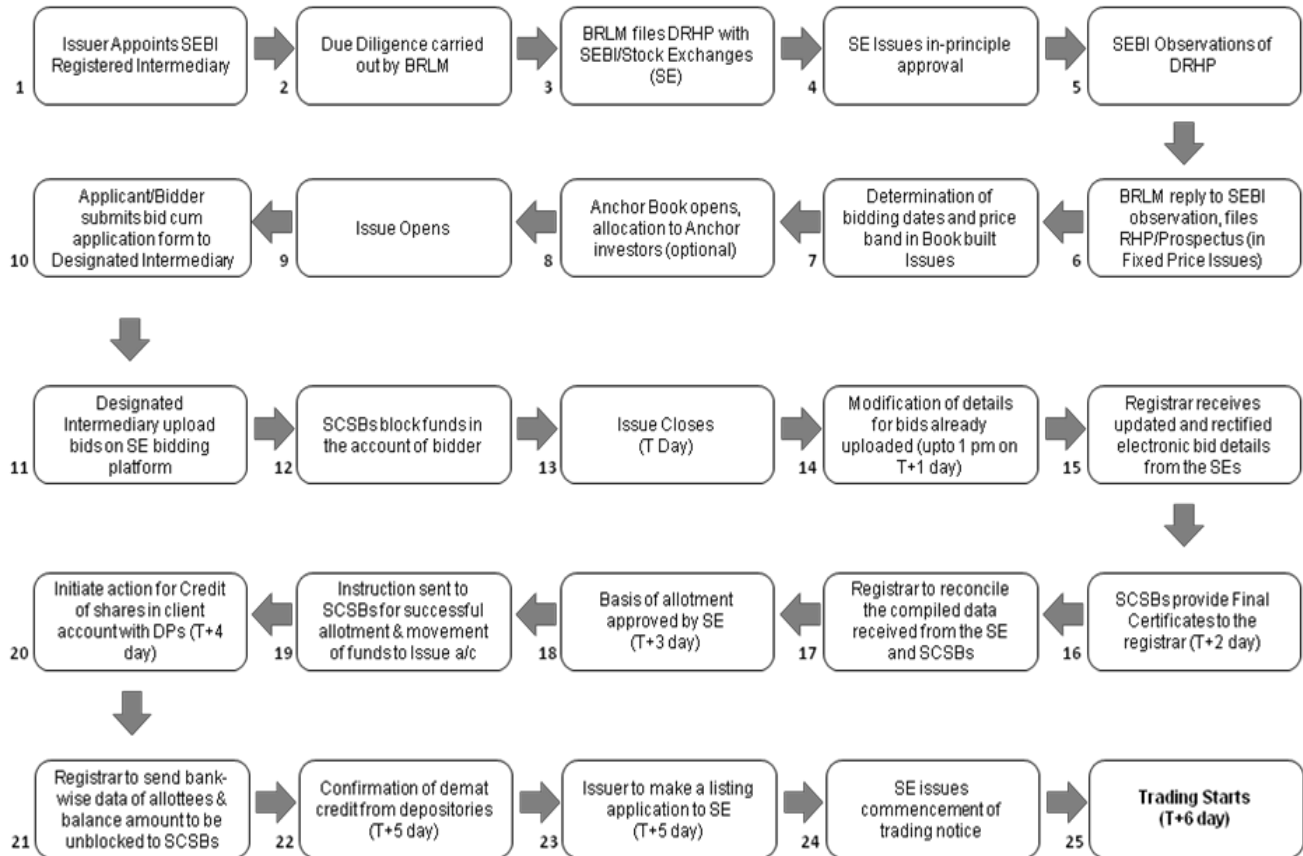
In case of a Book Built Issue, the Issuer may close the Bid/ Issue Period for QIBs one Working Day prior to the Bid/ Issue Closing Date if disclosures to that effect are made in the RHP. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/ Issue Period may be extended by 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 Branch of SCSB.



### 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, 2009 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 (“NIIs”) 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;
- Limited liability partnerships registered under the Limited Liability Partnership Act, 2008; and
- 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.
- 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 member of the Syndicate or any other Designated Intermediary, as available or downloaded from the websites of the Stock Exchanges. Bid cum Application Forms are available with the Book Running Lead Managers, 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 specified cum Application Form bearing the stamp of an SCSB as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the Designated Branches of the SCSBs and at the Registered and Corporate Office of the Issuer. For further details, regarding availability of Application Forms, Applicants may refer to the Prospectus.

Bidders/Applicants should ensure that they apply in the appropriate category. The prescribed color of the Bid cum Application Form for various categories of Bidders/Applicants is as follows:

| Category  | Colour <sup>(1)</sup> |
|---|-----------------------|
| Resident Indians and Eligible NRIs applying on a non-repatriation basis             | White                 |
| Non-Residents and Eligible NRIs, FIIs, FVCIs, etc. applying on a repatriation basis | Blue                  |

<sup>(1)</sup>excluding electronic Application Form

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/ Prospectus 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 Bid cum Application Form and sample are provided below.

A sample Bid cum Application Form is reproduced below:

|  |  |   |
|--|--|---|
| <b>COMMON BID CUM APPLICATION FORM</b>                   | <b>XYZ LIMITED - INITIAL PUBLIC ISSUE - R</b><br>Address : ..... Contact Details: ..... CIN No ..... | <b>FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRI, APPLYING ON A NON-REPATRIATION BASIS</b> |
| LOGO<br><br>TO,<br>THE BOARD OF DIRECTORS<br>XYZ LIMITED | BOOK BUILT ISSUE<br>ISIN : .....   | Bid cum Application Form No. ....   |

|   |   |   |
|---|---|---|
| <b>SYNDICATE MEMBER'S STAMP &amp; CODE</b><br><br><b>SUB-BROKER'S / SUB-AGENT'S STAMP &amp; CODE</b><br><br><b>BANK BRANCH SERIAL NO.</b> | <b>BROKER/SCSB/DP/RTA STAMP &amp; CODE</b><br><br><b>ESCROW BANK/SCSB BRANCH STAMP &amp; CODE</b><br><br><b>SCSB SERIAL NO.</b> | <b>1. NAME &amp; CONTACT DETAILS OF SOLE / FIRST BIDDER</b><br>Mr. / Ms. ....<br>Address .....<br>Email .....<br>Tel. No (with STD code) / Mobile .....<br><b>2. PAN OF SOLE / FIRST BIDDER</b> ..... |
|---|---|---|

|   |   |
|---|---|
| <b>3. BIDDER'S DEPOSITORY ACCOUNT DETAILS</b> <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL<br>For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID | <b>6. INVESTOR STATUS</b><br><input type="checkbox"/> Individual(s) - IND<br><input type="checkbox"/> Hindu Undivided Family* - HUF<br><input type="checkbox"/> Bodies Corporate - CO<br><input type="checkbox"/> Banks & Financial Institutions - FI<br><input type="checkbox"/> Mutual Funds - MF<br><input type="checkbox"/> Non-Resident Indians - NRI (Non-Repatriation basis)<br><input type="checkbox"/> National Investment Fund - NIF<br><input type="checkbox"/> Insurance Funds - IF<br><input type="checkbox"/> Insurance Companies - IC<br><input type="checkbox"/> Venture Capital Funds - VCF<br><input type="checkbox"/> Alternative Investment Funds - AIF<br><input type="checkbox"/> Others (Please specify) - OTH |
|---|---|

| <b>4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")</b><br><table style="width: 100%;"> <tr> <th rowspan="2">Bid Options</th> <th rowspan="2">No. of Equity Shares Bid (In Figures)<br/>(Bid must be in multiples of Bid Lot as advertised)</th> <th colspan="4">Price per Equity Share (₹) / "Cut-off"<br/>(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> <th></th> </tr> <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></td> <td><input type="checkbox"/></td> </tr> <tr> <td>(OR) Option 2</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td><input type="checkbox"/></td> </tr> <tr> <td>(OR) Option 3</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td><input type="checkbox"/></td> </tr> </table> | Bid Options                   | No. of Equity Shares Bid (In Figures)<br>(Bid must be in multiples of Bid Lot as advertised) | Price per Equity Share (₹) / "Cut-off"<br>(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"/> | <b>5. CATEGORY</b><br><input type="checkbox"/> Retail Individual Bidder<br><input type="checkbox"/> Non-Institutional Bidder<br><input type="checkbox"/> QIB |
|---|-------------------------------|--|--|---|--|--------------------------|-------------------------|-------------------------|-----------------|-----------|--|----------|-------------------------------|-----------|-----------|-----------|--|--------------------------|---------------|--|--|--|--|--|--------------------------|---------------|--|--|--|--|--|--------------------------|--|
| Bid Options   |                               |  | No. of Equity Shares Bid (In Figures)<br>(Bid must be in multiples of Bid Lot as advertised) | Price per Equity Share (₹) / "Cut-off"<br>(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"/> |                         |                         |                 |           |  |          |                               |           |           |           |  |                          |               |  |  |  |  |  |                          |               |  |  |  |  |  |                          |  |

|  |  |
|--|--|
| <b>7. PAYMENT DETAILS</b><br>Amount paid (₹ in figures) ..... (₹ in words) .....<br>ASBA Bank A/c No. ....<br>Bank Name & Branch ..... | <b>PAYMENT OPTION : FULL PAYMENT</b> <input type="checkbox"/> <b>PART PAYMENT</b> <input type="checkbox"/> |
|--|--|

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 ABBREVED 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.

|  |  |  |
|--|--|--|
| <b>8A. SIGNATURE OF SOLE/ FIRST BIDDER</b><br>Date : ..... | <b>8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)</b><br>I/We authorize the SCSB to do all acts as are necessary to make the Application in the line<br>1) .....<br>2) .....<br>3) ..... | <b>BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)</b> |
|--|--|--|

TEAR HERE

|      |   |   |   |
|------|---|---|---|
| LOGO | <b>XYZ LIMITED</b><br><b>INITIAL PUBLIC ISSUE - R</b> | <b>Acknowledgement Slip for Broker/SCSB/ DP/RTA</b> | Bid cum Application Form No. ....<br><br>PAN of Sole / First Bidder ..... |
|------|---|---|---|

|   |  |
|---|--|
| DPID / CLID .....<br>Amount paid (₹ in figures) ..... Bank & Branch .....<br>ASBA Bank A/c No. ....<br>Received from Mr./Ms. ....<br>Telephone / Mobile ..... Email ..... | Stamp & Signature of SCSB Branch ..... |
|---|--|

TEAR HERE

| <b>XYZ LIMITED - INITIAL PUBLIC ISSUE - R</b> | <table style="width: 100%;"> <tr> <th></th> <th>Option 1</th> <th>Option 2</th> <th>Option 3</th> </tr> <tr> <td>No. of Equity Shares</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Bid Price</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Amount Paid (₹)</td> <td></td> <td></td> <td></td> </tr> <tr> <td>ASBA Bank A/c No. ....</td> <td colspan="3"></td> </tr> <tr> <td>Bank &amp; Branch .....</td> <td colspan="3"></td> </tr> </table> |          | Option 1 | Option 2 | Option 3 | No. of Equity Shares |  |  |  | Bid Price |  |  |  | Amount Paid (₹) |  |  |  | ASBA Bank A/c No. .... |  |  |  | Bank & Branch ..... |  |  |  | Stamp & Signature of Broker / SCSB / DP / RTA .....<br>Name of Sole / First Bidder .....<br><b>Acknowledgement Slip for Bidder</b><br>Bid cum Application Form No. .... |
|---|--|----------|----------|----------|----------|----------------------|--|--|--|-----------|--|--|--|-----------------|--|--|--|------------------------|--|--|--|---------------------|--|--|--|---|
|   | Option 1   | Option 2 | Option 3 |          |          |                      |  |  |  |           |  |  |  |                 |  |  |  |                        |  |  |  |                     |  |  |  |   |
| No. of Equity Shares                          |  |          |          |          |          |                      |  |  |  |           |  |  |  |                 |  |  |  |                        |  |  |  |                     |  |  |  |   |
| Bid Price                                     |  |          |          |          |          |                      |  |  |  |           |  |  |  |                 |  |  |  |                        |  |  |  |                     |  |  |  |   |
| Amount Paid (₹)                               |  |          |          |          |          |                      |  |  |  |           |  |  |  |                 |  |  |  |                        |  |  |  |                     |  |  |  |   |
| ASBA Bank A/c No. ....                        |  |          |          |          |          |                      |  |  |  |           |  |  |  |                 |  |  |  |                        |  |  |  |                     |  |  |  |   |
| Bank & Branch .....                           |  |          |          |          |          |                      |  |  |  |           |  |  |  |                 |  |  |  |                        |  |  |  |                     |  |  |  |   |



#### 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 (including letters notifying the unblocking of the bank accounts of Bidders/Applicants) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the 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. All communications may be addressed to such Bidder/Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.
- 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 NUMBER 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(s) in whose name the relevant beneficiary account is held as per the Depositories' records.
- b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for 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 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 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 unblocking of ASBA Account or for 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, the Selling Shareholders in consultation with the BRLMs may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹ 1,00,000. 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, Employees and Retail Individual Shareholders must be for such number of shares so as to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder does not exceed ₹ 2,00,000.
- b) In case the Bid Amount exceeds ₹ 2,00,000 due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Category (with it not being eligible for Discount), then such Bid may be rejected if it is at the Cut-off Price.
- c) For NRIs, a Bid Amount of up to ₹ 2,00,000 may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding ₹ 2,00,000 may be considered under the Non-Institutional Category for the purposes of allocation.
- d) Bids by QIBs and NIIs must be for such minimum number of shares such that the Bid Amount exceeds ₹ 2,00,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form and the RHP/Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Investors and QIBs are not allowed to Bid at Cut-off Price.
- e) RII may revise or withdraw their bids until Bid/ 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.
- f) In case the Bid Amount reduces to ₹ 2,00,000 or less due to a revision of the Price Band, Bids by the Non-Institutional Investors who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.
- g) For Anchor Investors, if applicable, the Bid Amount shall be least ₹ 10 crores. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. Bids by various schemes of a Mutual Fund shall be aggregated to determine the Bid Amount. A Bid cannot be submitted for more than 60% of the QIB Category under the Anchor Investor Portion. Anchor Investors cannot withdraw their Bids or lower the size of their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the Anchor Investor Bid/ 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.
- h) A Bid cannot be submitted for more than the Issue size.
- i) The maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under the applicable laws.
- j) The price and quantity options submitted by the Bidder in the Bid cum Application Form may be treated as optional bids from the Bidder and may not be cumulated. After determination of the Issue Price, the number of Equity Shares Bid for by a Bidder at or above the Issue Price may be considered for Allotment and the rest of the Bid(s), irrespective of the Bid Amount may automatically become invalid. This is not applicable in case of FPOs undertaken through Alternate Book Building Process (For details of Bidders may refer to (Section 5.6 (e))

#### **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 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:
  - 1) 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.
  - 2) 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:
  - 1) Bids by Reserved Categories Bidding in their respective Reservation Portion as well as bids made by them in the Issue portion in public category.
  - 2) 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.
  - 3) Bids by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.
  - 4) 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, 2009 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, 2009, 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, 2009. For details of any reservations made in the Issue, Bidders/Applicants may refer to the RHP/Prospectus.
- d) The SEBI ICDR Regulations, 2009, specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation Bidder/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 (net of any Discount, as applicable) shall be blocked based on the authorisation provided in the Bid cum Application Form. If the 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 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) Bidders who Bid at Cut-off Price shall deposit the Bid Amount 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, 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, NEFT or cheque/ demand draft drawn on any bank (including a co-operative bank), which is situated at, and is a member of or sub-member of the bankers' clearing house located at the centre where the Anchor Investor Application Form is submitted. Cheques/bank drafts drawn on banks not participating in the clearing process may not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected.
- c) If the cheque or demand draft accompanying the Bid cum Application Form is not made favouring the Escrow Account, the Bid is liable to be rejected.
- d) The Escrow Collection Banks shall maintain the monies in the Escrow Account for and on behalf of the Anchor Investors until the Designated Date.
- e) Anchor Investors are advised to provide the number of the Anchor Investor Application Form and PAN on the reverse of the cheque or bank draft to avoid any possible misuse of instruments submitted.

##### **4.1.7.2 Payment instructions for Bidders (other than Anchor Investors)**

- a) Bidders may submit the Bid cum Application Form either
  - 1) in physical mode to the Designated Branch of an SCSB where the Bidders/Applicants have ASBA Account, or
  - 2) 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
  - 3) in physical mode to any Designated Intermediary.
- b) Bidders must specify the Bank Account number in the Bid cum Application Form. The Bid cum Application Form submitted by Bidder and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, 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 <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>).
- 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 finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Bid, as the case may be.
- n) SCSBs bidding in the Issue must apply through an Account maintained with any other SCSB; else their Bids are liable to be rejected.

#### **4.1.7.2.1 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, and (iv) 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 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 Offer 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, as applicable, for submission of the Bid cum Application Form.
- b) All communications in connection with Bids/Applications made in the Issue should be addressed as under:
  - 1) In case of queries related to Allotment, non-receipt of Allotment Advice, credit of Allotted Equity Shares, refund orders, the Bidders/Applicants should contact the Registrar to the Issue.
  - 2) In case of Bids submitted to the Designated Branches of the SCSBs, the Bidders/Applicants should contact the relevant Designated Branch of the SCSB.
  - 3) In case of queries relating to uploading of Bids by a Syndicate Member, the Bidders/Applicants should contact the relevant Syndicate Member.
  - 4) In case of queries relating to uploading of Bids by a Registered Broker, the Bidders/Applicants should contact the relevant Registered Broker
  - 5) In case of Bids submitted to the RTA, the Bidders/Applicants should contact the relevant RTA.
  - 6) In case of Bids submitted to the DP, the Bidders/Applicants should contact the relevant DP.
  - 7) Bidder/Applicant may contact our Company Secretary and Compliance Officer or BRLM(s) in case of any other complaints in relation to the Issue.
- c) The following details (as applicable) should be quoted while making any queries –
  - 1) full name of the sole or First Bidder/Applicant, Bid cum Application Form number, Applicants'/Bidders' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on application;



- 2) name and address of the Designated Intermediary, where the Bid was submitted; or
- 3) In case of Bids other than from Anchor Investors, ASBA Account number in which the amount equivalent to the Bid Amount was blocked.
- d) In case of Anchor Investor bids cheque or draft number and the name of the issuing bank thereof.

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<br/>REVISION FORM</b> | <b>XYZ LIMITED - INITIAL PUBLIC ISSUE - R</b><br>Address : ..... Contact Details : ..... CIN No ..... | <b>FOR RESIDENT INDIANS, INCLUDING<br/>RESIDENT QIBs, AND ELIGIBLE NRI<br/>APPLYING ON A NON-REPATRIATION BASIS</b>  |
| LOGO                                | TO,<br>THE BOARD OF DIRECTORS<br>XYZ LIMITED  | <div style="border: 1px solid black; padding: 2px; display: inline-block;">BOOK BUILT ISSUE</div><br><div style="border: 1px solid black; padding: 2px; display: inline-block;">ISIN : .....</div> |
|                                     |   | Bid cum<br>Application<br>Form No. <span style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></span>   |

|  |   |  |
|--|---|--|
| <b>SYNDICATE MEMBER'S STAMP &amp; CODE</b>         | <b>BROKER/SCSB/DP/RTA STAMP &amp; CODE</b>      | <b>1. NAME &amp; CONTACT DETAILS OF SOLE / FIRST BIDDER</b><br>Mr. / Ms. <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span><br>Address <span style="border: 1px solid black; display: inline-block; width: 150px; height: 15px;"></span><br>Email <span style="border: 1px solid black; display: inline-block; width: 150px; height: 15px;"></span><br>Tel. No (with STD code) / Mobile <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> |
| <b>SUB-BROKER'S / SUB-AGENT'S STAMP &amp; CODE</b> | <b>ESCROW BANK/SCSB BRANCH STAMP &amp; CODE</b> | <b>2. PAN OF SOLE / FIRST BIDDER</b><br><span style="border: 1px solid black; display: inline-block; width: 150px; height: 15px;"></span>  |
| <b>BANK BRANCH SERIAL NO.</b>                      | <b>SCSB SERIAL NO.</b>                          | <b>3. BIDDER'S DEPOSITORY ACCOUNT DETAILS</b> <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL<br><small>For NSDL, enter 8 digit DP ID followed by 8 digit Client ID / For CDSL, enter 16 digit Client ID</small>   |

| PLEASE CHANGE MY BID  |  |   |   |   |   |   |   |   |           |                 |           |                          |
|---|--|---|---|---|---|---|---|---|-----------|-----------------|-----------|--------------------------|
| 4. FROM (AS PER LAST BID OR REVISION)                                     |  |   |   |   |   |   |   |   |           |                 |           |                          |
| Bid Options:  | No. of Equity Shares Bid<br>(Bids must be in multiples of Bid Lot as advertised) |   |   |   |   |   |   | Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) |           |                 |           |                          |
|   | (In Figures)   |   |   |   |   |   |   | (In Figures)  |           |                 |           |                          |
|   | 8  | 7 | 6 | 5 | 4 | 3 | 2 | 1   | Bid Price | Retail Discount | Net Price | "Cut-off" (Please tick)  |
| Option 1  |  |   |   |   |   |   |   |   |           |                 |           | <input type="checkbox"/> |
| (OR) Option 2   |  |   |   |   |   |   |   |   |           |                 |           | <input type="checkbox"/> |
| (OR) Option 3   |  |   |   |   |   |   |   |   |           |                 |           | <input type="checkbox"/> |
| 5. TO (Revised Bid) (Only Retail Individual Bidders can Bid at "Cut-off") |  |   |   |   |   |   |   |   |           |                 |           |                          |
| Bid Options:  | No. of Equity Shares Bid<br>(Bids must be in multiples of Bid Lot as advertised) |   |   |   |   |   |   | Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) |           |                 |           |                          |
|   | (In Figures)   |   |   |   |   |   |   | (In Figures)  |           |                 |           |                          |
|   | 8  | 7 | 6 | 5 | 4 | 3 | 2 | 1   | Bid Price | Retail Discount | Net Price | "Cut-off" (Please tick)  |
| Option 1  |  |   |   |   |   |   |   |   |           |                 |           | <input type="checkbox"/> |
| (OR) Option 2   |  |   |   |   |   |   |   |   |           |                 |           | <input type="checkbox"/> |
| (OR) Option 3   |  |   |   |   |   |   |   |   |           |                 |           | <input type="checkbox"/> |

| 6. PAYMENT DETAILS   |  |  |   |  |  |  |  |  |  |
|--|--|--|---|--|--|--|--|--|--|
| Additional Amount Paid (₹ in figures) <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>  |  |  |   |  | (₹ in words) <span style="border: 1px solid black; display: inline-block; width: 150px; height: 15px;"></span> |  |  |  |  |
| ASBA Bank A/c No. <span style="border: 1px solid black; display: inline-block; width: 150px; height: 15px;"></span><br>Bank Name & Branch <span style="border: 1px solid black; display: inline-block; width: 150px; height: 15px;"></span>  |  |  |   |  |  |  |  |  |  |
| <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 REVISION FORM AND THE ATTACHED ABBRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE "BIDDERS UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID REVISION FORM GIVEN OVERLEAF.</small> |  |  |   |  |  |  |  |  |  |
| <b>7A. SIGNATURE OF SOLE / FIRST BIDDER</b>  |  |  | <b>7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s)<br/>(AS PER BANK RECORDS)</b>   |  |  |  | <b>BROKER / SCSB / DP / RTA<br/>STAMP (Acknowledging upload of Bid in Stock Exchange system)</b> |  |  |
| Date : <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>   |  |  | I/We authorize the SCSB to do all acts as are necessary to make the Application in the name<br>1) <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span><br>2) <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span><br>3) <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> |  |  |  | <div style="border: 1px solid black; width: 100px; height: 40px;"></div>                         |  |  |
|  |  |  |   |  |  |  |  |  |  |
|  |  |  |   |  |  |  |  |  |  |

|  |  |  |  |
|--|--|--|--|
| LOGO   | <b>XYZ LIMITED</b><br>BID REVISION FORM - INITIAL PUBLIC ISSUE - R | <b>Acknowledgement Slip<br/>for Broker/SCSB/<br/>DP/RTA</b>  | Bid cum<br>Application<br>Form No. <span style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></span> |
| DPID / CLID <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>  |  | PAN of Sole / First Bidder <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> |  |
| Additional Amount Paid (₹) <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>   |  | Bank & Branch <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>              |  |
| ASBA Bank A/c No. <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>  |  | Stamp & Signature of SCSB Branch<br><div style="border: 1px solid black; width: 100px; height: 40px;"></div>                 |  |
| Received from Mr./Ms. <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>  |  |  |  |
| Telephone / Mobile <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> Email <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> |  |  |  |

| TEAR HERE  |   |  |   |  |
|--|---|--|---|--|
| <b>XYZ LIMITED -<br/>BID REVISION FORM -<br/>INITIAL PUBLIC ISSUE - R</b>  | Option 1    Option 2    Option 3<br>No. of Equity Shares <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span><br>Bid Price <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span><br>Additional Amount Paid (₹) <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> | Stamp & Signature of Broker / SCSB /<br>DP / RTA<br><div style="border: 1px solid black; width: 100px; height: 40px;"></div>         | Name of Sole / First Bidder<br><span style="border: 1px solid black; display: inline-block; width: 150px; height: 15px;"></span><br><div style="border: 1px solid black; width: 100px; height: 20px; margin-top: 5px;"></div> |  |
|  |   | <b>Acknowledgement Slip for Bidder</b>   |   |  |
| ASBA Bank A/c No. <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span><br>Bank & Branch <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> |   | Bid cum<br>Application<br>Form No. <span style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></span> |   |  |

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 members of the Syndicate, the Registered Brokers and the Designated Branches of the SCSBs 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 for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised Bid at Cut-off Price.
- e) In case of a downward revision in the Price Band, RIIs and Bids by Employees under the Reservation Portion, who have bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked in case of Bidders.

#### **4.2.3 FIELD 6: PAYMENT DETAILS**

- a) All Bidders/Applicants are required to make payment of the full Bid Amount (less Discount, if applicable) along with the Bid Revision Form. 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 may be adjusted downwards for the purpose of Allotment, such that additional amount is required 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.

#### 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 draft Prospectus. However a prospectus registered with RoC contains one price or coupon rate (as applicable).
- b) **Minimum Application Value and Bid Lot:** The Issuer, the Selling Shareholders 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:
  - 1) 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.
  - 2) 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:
  - 1) Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Issue portion in public category.
  - 2) 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.

- 3) 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, 2009. For details of any reservations made in the Issue, applicants may refer to the Prospectus.
- c) The SEBI ICDR Regulations, 2009 specify the allocation or Allotment that may be made to various categories of applicants in an Issue depending upon compliance with the eligibility conditions. 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, cheque or 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 the Bank Account number in the Application Form. The Application Form submitted by an Applicant and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, will not be accepted.
- 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              | <ul style="list-style-type: none"> <li>To the Book Running Lead Managers at the Specified Locations mentioned in the Bid cum Application Form</li> </ul>   |
| All Applications (other than Anchor Investors) | <ul style="list-style-type: none"> <li>To members of the Syndicate in the Specified Locations or Registered Brokers at the Broker Centres or the RTA at the Designated RTA Location or the DP at the Designated DP Location</li> <li>To the Designated Branches of the SCSBs where the ASBA Account is maintained</li> </ul> |

- 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, 2009. The Issue Price is finalised after the Bid/ Issue Closing Date. Valid Bids received at or above the Issue Price are considered for allocation in the Issue, subject to applicable regulations and other terms and conditions.

### **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 the 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 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 BRLMs at the end of the Bid/ Issue Period.
- b) Based on the aggregate demand and price for Bids registered on the Stock Exchanges Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchanges may be made available at the Bidding centres during the Bid/ Issue Period.

### **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:
- 1) the Bids accepted by the Designated Intermediaries,
  - 2) the Bids uploaded by the Designated Intermediaries, and
  - 3) the Bid cum application forms accepted but not uploaded by the Designated Intermediaries.
- b) The BRLMs and their affiliate Syndicate Members, as the case may be, may reject Bids if all the information required is not provided and the Bid cum Application Form is incomplete in any respect.
- c) The SCSBs shall have no right to reject Bids, except in case of unavailability of adequate funds in the ASBA account or on technical grounds.
- d) In case of QIB Bidders, only the (i) SCSBs (for Bids other than the Bids by Anchor Investors); and (ii) BRLMs and their affiliate Syndicate Members (only in the Specified Locations) have the right to reject bids. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing.
- e) All bids by QIBs, NIIs & RIIs Bids can be rejected on technical grounds listed herein.

### 5.5.1 GROUNDS FOR TECHNICAL REJECTIONS

Bid cum Application Forms/Application Form can be rejected on the below mentioned technical grounds either at the time of their submission to any of the Designated Intermediaries, or at the time of finalisation of the Basis of Allotment. 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 by OCBs; and
- c) 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;
- d) 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;
- e) Bids/Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- f) Bids/Applications by persons in the United States excluding persons who are a U.S. QIB (as defined in this Prospectus);
- g) Bids/Applications by any person outside India if not in compliance with applicable foreign and Indian laws;
- h) 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;
- i) In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;



- j) Bids/Applications for lower number of Equity Shares than the minimum specified for that category of investors;
- k) Bids/Applications at a price less than the Floor Price and Bids/Applications at a price more than the Cap Price;
- l) Bids/Applications at Cut-off Price by NIIs and QIBs;
- m) 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;
- n) Bids/Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- o) Submission of more than five Bid cum Application Forms/Application Form as through a single ASBA Account;
- p) Bids/Applications for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the RHP;
- q) Multiple Bids/Applications as defined in this GID and the RHP/Prospectus;
- r) 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/ Prospectus and the Bid cum Application Forms;
- s) 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;
- t) In case of Anchor Investors, Bids/Applications where sufficient funds are not available in Escrow Accounts as per final certificate from the Escrow Collection Banks;
- u) Where no confirmation is received from SCSB for blocking of funds;
- v) Bids/Applications by Bidders (other than Anchor Investors) not submitted through ASBA process;
- w) Bids/Applications submitted to a BRLM at locations other than the Specified Cities and Bid cum Application Forms/Application Forms, under the ASBA process, submitted to the Escrow Collecting Banks (assuming that such bank is not a SCSB where the ASBA Account is maintained), to the issuer or the Registrar to the Issue;
- x) Bids/Applications not uploaded on the terminals of the Stock Exchanges; and
- y) 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, 2009 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 spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLMs and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations, 2009. Unsubscribed portion in QIB Category is not available for subscription to other categories.
- c) In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders/Applicants may refer to the RHP/ Prospectus.
- 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 Issue 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 and the Selling Shareholders, in consultation with the BRLMs, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Offer 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/ Prospectus 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 Offer 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.

Applicants may submit an Application Form either in physical form to the 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 Issue 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 Issue 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 Investor Selling Shareholder and the BRLMs, subject to compliance with the following requirements:
- 1) not more than 60% of the QIB Category will be allocated to Anchor Investors;
  - 2) 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
  - 3) 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 BRLMs, 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, 2009.

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 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 Escrow Agreement and the RHP/Prospectus. 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 two Working Days from the date of Allotment.

## **SECTION 8: INTEREST AND REFUNDS**

### **8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING**

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within six Working Days of the Bid/ Issue Closing Date. The Registrar to the Issue may give instructions for credit to Equity Shares the beneficiary account with 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 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 Net 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 Fresh 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 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 50 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, 2009 comes for an Issue under Regulation 26(2) of SEBI (ICDR) Regulations, 2009 but fails to Allot at least 75% of the Net 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 refund orders or 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 Escrow Collection Banks, 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 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:

- 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;
- Direct Credit** - Anchor Investors having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;
- RTGS** - Anchor Investors having a bank account at any of the centers notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS; and

Please note that refunds through the abovementioned modes shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.

For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers, 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 6 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 Offer 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                         | An Bidder/Applicant to whom the Equity Shares are Allotted   |
| Anchor Investor                  | A Qualified Institutional Buyer, applying under the Anchor Invest or Portion in accordance with the requirements specified in SEBI ICDR Regulations, 2009 and the Red Herring Prospectus/ 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  |
| Anchor Investor Portion          | Up to 60% of the QIB Category which may be allocated by the Issuer in consultation with the BRLMs, 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 |



| Term   | Description  |
|--|--|
| Application Form   | The form in terms of which the Applicant should make an application for Allotment in case of issues other than Book Built Issues, includes Fixed Price Issue   |
| Application Supported by Blocked Amount/ASBA                           | An application, whether physical or electronic, used by Bidders/Applicants, other than Anchor Investors, to make a Bid and authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB   |
| ASBA Account   | Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Bid Amount of the Bidder/Applicant  |
| 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(s) 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 Offer  |
| 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 there to. 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/Applicant up on 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/Offer 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 Offer, which may be notified in an English national daily, a Hindi national daily and a regional language news paper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/Bidders may refer to the RHP/Prospectus for the Bid/Offer Closing Date  |
| Bid/Offer Opening Date   | The date on which the Designated Intermediaries may start accepting Bids for the Offer, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/Bidders may refer to the RHP/Prospectus for the Bid/Offer Opening Date  |
| Bid/Offer Period   | Except in the case of Anchor Investors(if applicable),the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date inclusive of both days and during which prospective Bidders/Applicants (other than Anchor Investors) can submit their Bids, inclusive of any revisions thereof. The Issuer may consider closing the Bid/Offer Period for QIBs one working day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations, 2009. Applicants/Bidders may refer to the RHP/Prospectus for the Bid/Offer Period |
| Bid cum Application Form   | An application form, whether physical or electronic, used by Bidders, other than Anchor Investors, to make a Bid and which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus   |
| Bidder/Applicant   | Any prospective investor who makes a Bid 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/Applicant should be construed to mean an Bidder/Applicant  |
| Book Built Process / Book Building Process / Book Building Method      | The book building process as provided under SEBI ICDR Regulations, 2009, in terms of which the Offer is being made   |
| Broker Centres   | Broker centres notified by the Stock Exchanges, where Bidders/Applicants can submit the Bid cum Application Forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchanges.   |
| BRLM(s) / Book Running Lead Manager(s) / Lead Manager / LM             | The Book Running Lead Manager to the Offer 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  |

| Term   | Description  |
|--|--|
|  | Manager should be construed to mean the Lead Manager or LM.  |
| Business Day                                 | Monday to Saturday (except 2nd & 4 <sup>th</sup> Saturday of a month and public holidays)  |
| CAN / Confirmation of Allotment Note         | The note or advice or intimation sent to each successful Bidder/Applicant indicating the Equity Shares which may be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange.   |
| Cap Price                                    | The higher end of the Price Band, above which the Offer Price and the Anchor Investor Offer 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 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                                | Offer Price, finalised by the Issuer and the Selling Shareholders in consultation with the Book Running Lead Manager(s), which can be any price within the Price Band. Only RIIs, 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 Bidder/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 Bidders/Applicants (excluding Anchor Investor) 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>  |
| Designated CDP Locations                     | Such locations of the CDPs where Bidders can submit the Bid cum Application Forms to Collecting Depository Participants.<br><br>The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid cum Application Forms 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> )  |
| Designated Date                              | The date on which funds are transferred by the Escrow Collection Bank(s) 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 the Prospectus is filed with the RoC, following which the board of directors may Allot Equity Shares to successful Bidders/Applicants in the Fresh Issue may give delivery instructions for the transfer of the Equity Shares constituting the Offer for Sale |
| Designated Intermediaries / Collecting Agent | Syndicate Members, Sub-Syndicate/Agents, SCSBs, Registered Brokers, Brokers, the CDPs and RTAs, who are authorized to collect Bid cum Application Forms from the Bidders, in relation to the Offer   |
| Designated RTA Locations                     | Such locations of the RTAs where Bidders can submit the Bid cum Application Forms to RTAs.<br><br>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 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> )  |
| Designated Stock Exchange                    | The designated stock exchange as disclosed in the RHP/Prospectus of the Issuer   |
| Discount                                     | Discount to the Offer Price that may be provided to Bidders/Applicants in accordance with the SEBI ICDR Regulations, 2009.   |
| Draft Prospectus                             | The draft prospectus filed with SEBI in case of Fixed Price Issues and which may   |

| Term   | Description   |
|--|---|
|  | mention a price or a Price Band   |
| Employees  | Employees of an Issuer as defined under SEBI ICDR Regulations, 2009 and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoters and immediate relatives of the promoters. For further details, Bidder/Applicant 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 issue cheques or demand drafts or transfer money through NEFT or RTGS in respect of the Bid Amount when submitting a Bid   |
| Escrow Agreement   | Agreement to be entered into among the Issuer, the Selling Shareholders, the Registrar to the Offer, the Book Running Lead Manager(s), the Syndicate Member(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 Offer   |
| 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   |
| Fixed Price Issue / Fixed Price Process / Fixed Price Method | The Fixed Price process as provided under SEBI ICDR Regulations, 2009, in terms of which the Offer is being made  |
| Floor Price  | The lower end of the Price Band, at or above which the Offer Price and the Anchor Investor Offer 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   |
| Issuer/Company   | The Issuer proposing the initial public offering/further public offering as applicable  |
| Maximum RII Allottees  | The maximum number of RIIs who can be Allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot.  |
| MICR   | Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf  |
| Mutual Fund  | A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996  |
| Mutual Funds Portion   | 5% of the QIB Category (excluding the Anchor Investor Portion) available for allocation to Mutual Funds only, being such number of equity shares as disclosed in the RHP/Prospectus and Bid cum Application Form  |
| 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 Offer and in relation to whom the RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares   |
| NRO Account  | Non-Resident Ordinary Account   |
| Net Offer  | The Offer less reservation portion  |
| Non-Institutional Investors or NIIs                          | All Bidders/Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporates or foreign individuals and FPIs which are Category III foreign portfolio investors, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)  |
| Non-Institutional Category                                   | The portion of the Offer being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the RHP/Prospectus  |

| Term   | Description  |
|--|--|
|  | and the Bid cum Application Form   |
| Non-Resident                                 | A person resident outside India, as defined under FEMA and includes Eligible NRIs, FPIs and FVCIs registered with SEBI   |
| OCB/Overseas Corporate Body                  | A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA   |
| Offer  | Public Offer of Equity Shares of the Issuer including the Offer for Sale if applicable   |
| Offer for Sale                               | Public offer of such number of Equity Shares as disclosed in the RHP/Prospectus through an offer for sale by the Selling Shareholders  |
| 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  |
| Offer 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 Offer Price The Offer Price may be decided by the Issuer and the Selling Shareholders in consultation with the Book Running Lead Manager(s)  |
| 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 Offer may be decided by the Issuer and the Selling Shareholders 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/Offer 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 and the Selling Shareholders in consultation with the Book Running Lead Manager(s), finalise the Offer Price  |
| Prospectus                                   | The prospectus to be filed with the RoC in accordance with Section 26 of the Companies Act, 2013 after the Pricing Date, containing the Offer Price, the size of the Offer and certain other information   |
| Public Issue Account                         | An account opened with the Banker to the Offer to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date   |
| QIB Category                                 | The portion of the Offer 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 Offer. The RHP may be filed with the RoC at least three working days before the Bid/Offer 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(s)                            | The account opened with Refund Bank(s), from which refunds to Anchor Investors, if any, of the whole or part of the Bid Amount may be made   |
| Refund Bank(s)                               | Refund bank(s) as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer   |
| Refunds through electronic transfer of funds | Refunds through Direct Credit, NEFT, RTGS or ASBA, as applicable   |
| 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   |

| Term  | Description   |
|---|---|
| Registered Broker                           | Stock Brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate  |
| Registrar to the Offer/RTO                  | The Registrar to the Offer 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 Offer reserved for such 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 (including HUFs applying through their karta and eligible NRIs and does not include NRIs other than Eligible NRIs.   |
| 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 Offer 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, including ASBA Bidders, in an issue through Book Building Process to modify the quantity of Equity Shares and/or bid price indicated 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                         | Bidding centres where the Syndicate shall accept Bid cum Application Forms, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> and updated from time to time  |
| Stock Exchanges / SE                        | The stock exchanges as disclosed in the RHP/Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Offer 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 Bid cum Application Forms by Syndicate Members  |
| Syndicate Member(s) / SM                    | The Syndicate Member(s) as disclosed in the RHP/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                                 | Any day, other than 2nd and 4 <sup>th</sup> Saturday of the month, Sundays or public holidays, 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 Days” shall mean all days, excluding Saturdays, Sundays and public holidays, which are working days for commercial banks in India. |



## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are FIPB and the RBI.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“DIPP”), issued consolidated FDI Policy, which with effect from June 07, 2016 consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on June 7, 2016. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, the Consolidation FDI Policy will be valid until the DIPP issues an updated circular.

The transfer of shares by an Indian resident to a Non-Resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the Consolidated FDI Policy and transfer does not attract the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI/RBI.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer.

**The Equity Shares offered in the Issue have not been and will not be registered under the Securities Act, 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 U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold (i) within the United States to persons reasonably believed to be “qualified institutional investors” (as defined in Rule 144A under the Securities Act) pursuant to Rule 144A under the Securities Act or other applicable exemption under 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 jurisdictions where such offers and sales occur.**

**The above information is given for the benefit of the Applicants. Our Company, the Selling Shareholders and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them.**

## SECTION X – MAIN PROVISIONS OF ARTICLE OF ASSOCIATION

*Capitalized terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Table F in Schedule I of the Companies Act, 2013 and the SEBI Regulations, the main provisions of the Articles of Association of our Company are detailed below:*

*These Articles of Association were adopted in substitution for and to the entire exclusion of the earlier Articles of Association at the Extra-ordinary General Meeting of the Company held on December 26, 2017.*

### CAPITAL

3. (a) The Authorized Share Capital of the Company will be as that specified in Clause V(a) of the Memorandum of Association from time to time in accordance with the regulations of the Company and the legislative provision for the time being in force in this behalf and power to divide the Share Capital into Equity Share Capital or Preference Share Capital and to attach thereto respectively, any preferential, qualified or special rights, privileges or conditions, and to vary, modify and abrogate the same in such manner as may be determined by or in accordance with these presents, PROVIDED HOWEVER that where any Government has made an order under sub-section 4 of Section 62 of the Companies Act, 2013 directing that any debenture issued by the Company or loan taken by the Company or any part thereof shall be converted into shares of the Company and no appeal has been preferred to the Tribunal under sub-section (4) of Section 62 of the Companies Act, 2013, or where such appeal has been dismissed, the memorandum of the Company shall, where such order has the effect of increasing the Authorized Share Capital, stand altered and the Authorized Share Capital of the Company shall stand increased by an amount equal to the amount of the value of the shares into which such debentures or loans or part thereof has been converted.

### Preference Shares, Rights of Holders

(b) The holders of Preference Shares shall be entitled to be paid out of the profits which the Directors shall determine to distribute by way of dividend, a fixed cumulative preferential dividend at such rates as maybe fixed by the Company (free of Company's tax but subject to deduction of tax at source at the prescribed rate), on the amount credited as paid up thereon and to the right, on winding up, to be paid all arrears of preferential dividend, whether earned or declared or not, down to the commencement of winding up, and also to be repaid the amount of capital paid or credited as paid up on the Preference Shares held by them respectively in priority to any payment in respect of Equity Shares, but shall not be entitled to any other rights in the profits or assets of the Company. Subject as aforesaid and to the rights of the holders of any other shares entitled by the terms of issue to preferential repayment over the Equity Shares, in the event of the winding up of the Company, the holders of the Equity Shares shall be entitled to be repaid the amounts of capital paid up or credited as paid up on such shares and all surplus assets thereafter shall belong to the holders of the Equity Shares in proportion to the amount paid up or credited as paid up on such Equity Shares respectively at the commencement of the winding up.

(c) Subject to the provisions of Section 80 of the Companies Act, 1956 (as may be applicable) and Section 55 of the Companies Act, 2013 (as may be applicable) the following provisions shall apply in regards to redemption of Cumulative Preference Shares:

(i) The Company may subject to the terms of issue at any time but in any event not later than twenty years from the issue of shares apply any profits or monies of the Company which may be lawfully applied for the purpose in the redemption of the preference shares at par together with a sum equal to arrears of dividend thereon down to the date of redemption.

(ii) In the case of any partial redemption under sub-clause(c) (i) of this Article, the Company shall for the purpose of ascertaining the particular shares to be redeemed, cause a drawing to be made at the office or at such other place as the Directors may decide, in the presence of a representative of the Auditors for the time being of the Company.

(iii) Forthwith after every such drawing the Company shall give to the holders of the shares drawn for redemption notice in writing of the Company's intention to redeem the same fixing a time (not less than three months thereafter) and the place for the redemption and surrender of the shares to be redeemed.

(iv) At the time and place so fixed each holder shall be bound to surrender to the Company the Certificate for his shares to be redeemed and the Company shall pay to him the amount payable in respect of such redemption and where any



such Certificate comprises any shares which have not been drawn for redemption, the Company shall issue to the holder thereof a fresh Certificate there for.

(d) Subject to the provisions of the Articles, the Company shall be entitled to create and issue further Preference Shares ranking in all or any respects *pari-passu* with the said Preference Shares, PROVIDED in the event of its creating and/or issuing Preference Shares in future, ranking *pari-passu* with the Preference Shares proposed to be issued, the Company would do so only with the consent of the holders of not less than three-fourths of the Preference Shares then outstanding.

(e) The Redeemable Cumulative Preference Shares shall not confer on the holders thereof the right to vote either in person or by proxy at any general meeting of the Company save to the extent and in the manner provided by Section 47(2) of the Companies Act, 2013. (f) The rights, privileges and conditions for the time being attached to the Redeemable Cumulative Preference Shares may be varied, modified or abrogated in accordance with the provisions of these Articles and of the Act.

#### **Increase of capital by the Company and how carried into effect**

4. (a) The Company in general meeting may, by ordinary resolution from time to time, increase the capital by creation of new shares of such aggregate amount and to be divided into shares of such respective amounts as the resolution shall prescribe. The new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto, as the resolution shall prescribe, and in particular, such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at general meeting of the Company in conformity with Sections 47 and 55 of the Companies Act, 2013.

(b) Whenever the capital of the Company has been increased under the provisions of this Article the Company shall file with the Registrar notice of the increase of capital as required by Section 64 of the Companies Act, 2013 within thirty days of the passing of the resolution authorizing the increase, or of the receipt of the order of the Government or consequent upon an order made by the Government under Section 62 of the Companies Act, 2013.

#### **Capital of two kinds only**

5. Neither the original capital nor any increased capital shall be more than two kinds, namely (i) Equity Share Capital and (ii) Preference Share Capital, as defined in Section 43 of the Companies Act, 2013.

#### **New Capital same as existing capital**

6. Except in so far as otherwise provided by the conditions of issue or by these Articles any capital raised by creation of new shares, shall be considered as part of the existing capital and shall be subject to the provisions herein contained with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

#### **Redeemable Preference Shares**

7. Subject to the provisions of Section 55 of the Companies Act, 2013, the Company shall have the power to issue Preference Shares which are or at the option of the Company are to be liable to the redeemed and the resolution authorizing such issue shall prescribe the manner, terms and conditions of redemption.

#### **Provisions to apply on Issue of Redeemable Preference Shares**

8. On the issue of Redeemable Preference Shares under the provisions of Article 7 hereof and subject to the provisions of the Act, the following provisions shall take effect:

(a) No such shares shall be redeemed except out of 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 purposes of the redemption.

(b) No such shares shall be redeemed unless they are fully paid.

(c) The premium, if any, payable on redemption shall have been provided for out of the profits of the Company or out of the Company's Securities Premium Account, before the shares are redeemed.

(d) Where such shares are proposed to be redeemed out of the profits of the Company, there shall out of such profits, be transferred to a reserve fund to be called 'The Capital Redemption Reserve Account', a sum equal to the nominal amount of the shares to be redeemed and the provisions of the Companies Act, 2013 relating to the reduction of the Share Capital of the Company shall, except as provided in Section 55 of the Companies Act, 2013, apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company.

(e) Subject to the provisions of Section 55 of the Companies Act, 2013, the redemption of Preference Shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit.

### **Reduction of Capital**

9. The Company may from time to time by special resolution, subject to confirmation by the Court or the Tribunal (as may be applicable) and subject to the provisions of Sections 52, 55 and 66 of the Companies Act, 2013 and other applicable provisions, if any, reduce its share capital in any manner and in particular may –

(a) extinguish or reduce the liability on any of its shares in respect of the share capital not paid-up; or

(b) either with or without extinguishing or reducing the liability on any of its shares, -

(i) cancel any paid-up share capital which is lost or is unrepresented by available assets;

(ii) Pay off any paid-up share capital which is in excess of the wants of the Company.

### **Buy Back of Shares**

9A. Notwithstanding anything contained in these Articles, the Company may purchase its own shares or other securities, and the Board of Directors may, when and if thought fit, buy back such of the Company's own shares or securities as it may think necessary, subject to such limits, upon such terms and conditions and subject to such approvals, as may be permitted by law.

### **9B. Variation in terms of contract or objects in prospectus**

The Company shall not, at any time, vary the terms of a contract referred to in prospectus or objects for which the prospectus was issued, except subject to the approval of, or except subject to an authority given by the Company in General Meeting by way of special resolution, and in accordance with the provisions of the Act. Provided that the Company shall not use any amount raised by it through Prospectus for buying, trading or otherwise dealing in equity shares of any other listed Company. The dissenting shareholders of the Company, being the shareholders who have not agreed to the proposal to vary the terms of the contracts or the objects referred to in the prospectus, shall be given an exit offer by the promoters or controlling shareholders of the company, at the fair market value of the equity shares as on the date of the resolution of the Board of Directors recommending such variation in the terms of the contracts or the objects referred to in the prospectus, in accordance with such terms and conditions as may be specified on this behalf by the Securities and Exchange Board of India.

### **10. Consolidation, division, sub-division and cancellation of shares**

Subject to the provisions of Section 61 of the Companies Act, 2013, the Company may by ordinary resolution:

(a) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(b) Convert all or any of its fully paid-up shares into stock; and reconvert that stock into fully paid-up shares of any denomination;

(c) Sub-divide its existing shares, or any of them into shares of smaller amount than is fixed by the memorandum;

(d) Cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

Whenever the Company does any one or more of the things provided for in the foregoing sub-clauses (a), (b), (c) and (d), the Company shall, within thirty days thereafter give notice thereof to the Registrar as required by Section 64 of the Companies Act, 2013 specifying, as the case may be, the shares consolidated, divided, sub-divided, converted into stock or cancelled.

11. Whenever the share capital of the Company, 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 provisions of Section 48 of the Companies Act, 2013, be varied with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or by means of a special resolution passed at a separate general meeting of the holders of shares of that class, and all the provisions hereafter contained as to general meetings shall, *mutatis mutandis*, apply to every such meeting. This Article is not to derogate from any power; the Company would have if this Article was omitted. Provided that if variation by one class of shareholders of the Company affects the rights of any other class of shareholders of the Company, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this Article shall apply to such variation. The rights conferred upon the holders of the shares (including Preference Shares, if any) of any class issued with preferred or other rights or privileges shall unless otherwise expressly provided by the terms of the issue of shares of that class be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking *pari-passu* therewith.

## **SHARES, DEBENTURES, OTHER SECURITIES AND CERTIFICATES**

### **Register and Index of Members**

12. The Company shall cause to be kept and maintained, a Register of Members, register of debenture-holders, and a register of any other security holders in accordance with all applicable provisions of the Companies Act, 2013 and the Depositories Act, 1996 with details of shares, debentures, or other securities held in material and dematerialized forms in any media as may be permitted by law including in any form of electronic media. The Company is authorized to, if so required by the Company, maintain a part of its register of members, register of debenture holders and / or register of any other security holders outside India (such part of the relevant register shall be called the “**Foreign Register**” and such Foreign Register shall contain the names and particulars of the members, debenture holders, other security holders or beneficial owners (as the case may be) residing outside India.

### **Dematerialization**

12A. (1) Notwithstanding anything to the contrary contained in these Articles, the Company shall be entitled to dematerialize and rematerialize its existing shares, debentures and other securities and/or to offer its fresh shares, debentures and other securities in a dematerialized form pursuant to the Depositories Act, 1996 and the rules framed there under, if any, and the register and index of beneficial owners maintained by the relevant Depository under section 11 of the Depositories Act, 1996, shall be deemed to be the corresponding register and index maintained by the Company.

### **Options for Investors**

(2) Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a Depository. Such a person who is a 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 issue to the beneficial owner the required Certificates of Securities. If a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of the security, and on receipt of the information, the depository shall enter in the records the name of the allottee as the beneficial owner of the security.

### **Securities with Depositories to be in fungible form**

(3) All securities held by a depository shall be dematerialized and be in fungible form. Nothing contained in sections 89 and 112 and such other applicable provisions of the Companies Act, 2013 shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.

### **Rights of Depositories and Beneficial Owners**

(4) (a) Notwithstanding anything to the contrary contained in the Companies Act, 1956, the Companies Act, 2013 or these Articles, a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of securities on behalf of the beneficial owner.

(b) Save as otherwise provided in (a) 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.

(c) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the Depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all rights and benefits and be subject to all liabilities in respect of the securities held by a Depository on behalf of the beneficial owner.

#### **Service of Documents**

(5) Notwithstanding anything contained in the Companies Act, 1956, the Companies Act, 2013 or these Articles to the contrary, where securities are held with a Depository the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.

#### **Transfer of Securities**

(6) Nothing contained in Section 56 of the Companies Act, 2013, or these Articles shall apply to transfer of securities issued by the Company, effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a Depository.

#### **Allotment of Securities dealt within a Depository**

(7) Notwithstanding anything contained in Section 56 of the Companies Act, 2013 or these Articles, where securities issued by the Company are dealt with by a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such securities.

#### **Distinctive numbers of Securities held with a Depository**

(8) Nothing contained in Section 56 of the Companies Act, 2013 or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company, shall apply to securities held with a Depository.

#### **Restriction on Allotment and Return of Allotment**

13. The Board of Directors shall observe the restrictions as to allotment of shares to the public, contained in Section 39 of the Companies Act, 2013, as well as any other applicable provisions of the Act, and shall cause to be made the returns as to allotment provided for in Section 39 of the Companies Act, 2013 and/or as may be prescribed under the Act.

#### **Further Issue of Shares**

14. (1) Where at any time, it is proposed to increase the subscribed capital of the Company by allotment of further shares either out of the unissued capital or out of the increased share capital then:

(a) 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 nearly as circumstances admit, to the capital paid up on those shares at that date.

(b) Such offer shall be made by a notice specifying the number of shares offered and limiting a time not being 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. Such notice shall be dispatched through registered post or speed post or through electronic mode to all the existing shareholders at least three days before the opening of the issue.

(c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favor 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 favor any member may renounce the shares offered to him.

(d) After the 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 and to such person(s) as they, in their sole discretion, think fit, subject to the provisions of the Act. Which is not disadvantageous to the shareholders and the Company.

(2) Notwithstanding anything contained in sub-clause (1) hereof, 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 (1) hereof) in any matter whatsoever, subject to Section 62 of the Act:

(a) If a special resolution to that effect is passed by the Company in general meeting, or

(b) Where no such special resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favor of the proposal contained in the resolution moved in the General Meeting (including the casting vote, if any, of the Chairman) by the members who, being entitled to do so, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any cast against the proposal by members, so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf that the proposal is most beneficial to the Company.

(3) Nothing in sub clause (c) of clause (1) hereof shall be deemed:

a) to extend the time within which the offer should be accepted; or

b) to authorize any person to exercise the right of renunciation for a second time on the ground that the person in whose favor the renunciation was first made has declined to take the shares comprised in the renunciation.

(4) Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the debentures issued or the terms of any loans raised by the Company:

(a) To convert such debentures or loans into shares in the Company; or

(b) To subscribe for shares in the Company.

PROVIDED that the terms of issue of such debentures or terms of such loan containing such an option have been approved before the issue of such debentures or the raising of such loan by a special resolution passed by the Company in a General Meeting.

(5) Notwithstanding anything contained in sub-clause (3) above, where any debentures have been issued or loan has been obtained from any Government by the Company, and if that Government considers it necessary in the public interest so to do, it may, by order, direct that such debentures or loans or any part thereof shall be converted into shares in the Company on such terms and conditions as appear to the Government to be reasonable in the circumstances of the case even if terms of the issue of such debentures or the raising of such loans do not include a term for providing for an option for such conversion. Provided that where the terms and conditions of such conversion are not acceptable to the Company, it may, within sixty days from the date of communication of such order, appeal to the Tribunal which shall after hearing the company and the Government pass such order as it deems fit.

(6) In determining the terms and conditions of conversion under sub clause (4), the Government shall have due regard to the financial position of the Company, the terms of issue of debentures or loans, as the case may be, the rate of interest payable on such debentures or loans and such other matters as it may consider necessary.

(7) Where the Government has, by an order made under sub-clause (5), directed that any debenture or loan or any part thereof shall be converted into shares in the Company and where no appeal has been preferred to the Tribunal under sub-clause (5) or where such appeal has been dismissed, the Memorandum of the Company shall, where such order has the effect of increasing the authorized share capital of the Company, be altered and the authorized share capital of the Company shall stand increased by an amount equal to the amount of the value of shares which such debentures or loans or part thereof has been converted into.

#### **Application of premium received on shares**

15. (1) Where the Company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares shall be transferred to an account, to be called "THE SECURITIES PREMIUM ACCOUNT" and the provisions of the Companies Act, 2013 relating to reduction of share capital of the

Company shall, except as provided in this Article, apply as if the securities premium account were the paid-up share capital of the Company.

(2) Notwithstanding anything contained in clause (1) above but subject to the provisions of Section 52 of the Companies Act, 2013, the securities premium account may be applied by the Company-

(a) towards the issue of unissued shares of the Company to the members of the Company as fully paid bonus;

(b) in writing off the preliminary expenses of the Company;

(c) in writing off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the Company;

(d) in providing for the premium payable on the redemption of any redeemable preference shares or of any debentures of the Company; or

(e) for the purchase of its own shares or other securities under Section 68 of the Companies Act, 2013.

#### **Power also to Company in General Meeting to issue shares**

16. In addition to and without derogating from the powers for that purpose conferred on the Board under Articles 14 and 15, the Company in a General Meeting may, subject to the provisions of Section 62 of the Companies Act, 2013 and 108A of the Companies Act, 1956, determine that any shares (whether forming part of the original capital or of any increased capital of the Company) be offered to such persons (whether members or not) in such proportion and on such terms and conditions and either at a premium or at par or at a discount (subject to compliance with the provisions of Sections 52, 53 and 54 of the Companies Act, 2013) 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 at a premium or at par or at a discount (subject to compliance with the provisions of Sections 52, 53 and 54 of the Companies Act, 2013) such option being exercisable at such time and for such consideration as may be directed by such General Meeting may make any other provisions whatsoever for the issue, allotment or disposal of any such shares.

#### **Shares at a discount**

17. Except as provided in Section 54 of the Companies Act, 2013, the Company shall not issue shares at a discount. Any share issued by the Company at a discounted price shall be void.

#### **Installments on shares to be duly paid**

18. If by the conditions of any allotment of any share, the whole or any part of the amount or issue price thereof shall be payable by installments, every such installment shall, when due, be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the shares or his legal representatives.

#### **Shares at the disposal of the Directors**

19. Subject to Section 62 and other applicable provision of the Act and these Articles, the shares in the capital of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of Section 53 of the Act) at a discount and at such time as they may from time to time think fit and with sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid up shares and is so issued, shall be deemed to be fully paid up shares. Provided that option or right to call shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.

#### **Acceptance of shares**



20. Any application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any share therein, shall be an acceptance of shares within the meaning of these Articles; and every person who does or otherwise accepts any shares and whose name is on the Register shall, for the purpose of these Articles, be a member.

#### **Deposit and Call etc. to be a debt payable**

21. The money (if any) which the Board of Directors 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 inscription 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.

#### **Liability of Members**

22. Every member, or his heirs, executors or administrators to the extent of his assets which come to their hands shall be liable to 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 of Directors shall from time to time require or fix for the payment thereof.

#### **Limitation of time for issue of certificates**

23. (a) Every member shall be entitled, without payment, to receive 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 months from the date of allotment, unless the conditions of issue thereof otherwise provide or within one 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 share certificate shall be under the Seal of the Company and shall specify the number and the distinctive number(s) of the shares in respect of which it was issued and the amount paid up thereon and shall be in such form as the directors may prescribe. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in case of issues against letters of acceptance or of renunciation or in case of issue of bonus shares. PROVIDED THAT if the letter of allotment is lost or destroyed the Board may impose such reasonable terms, if any, as it thinks fit, as to evidence and indemnity and the payment of out-of-pocket expenses incurred by the Company in investigating the evidence. The certificate shall be signed in conformity with the provisions of the Companies (Share Capital and Debenture) Rules, 2014 or any statutory modification or re-enactment thereof for the time being in force. Printing of blank forms to be used for issue of Share Certificates and maintenance of books and documents relating to issue of Share Certificates shall be in accordance with the provisions of aforesaid rules. Such certificates of title to shares shall be completed and kept ready for delivery within such time frame as may be prescribed in this regard after the allotment.

(b) In respect of a share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holders.

#### **24. Issue of new certificate in place of one defaced, lost or destroyed**

Subject to provisions of the Act and the Companies (Share Capital and Debentures) Rules, 2014, 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 or in case of sub-division or consolidation of shares, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof, to the satisfaction of the Company and on execution of such indemnity as the Company may 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 certificate under the Article shall be issued without payment of fees as the Directors so decide, or on payment of such fees (not exceeding Rs. 2/- 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. Provided that notwithstanding the foregoing provisions of Article 24 the Directors shall comply with applicable law including such rules or regulation or requirements of any stock exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable thereof in this behalf for the time being in force. The provisions of this Article shall *mutatis mutandis* apply to issue of the certificates for any other securities including the debentures of the Company.



### **Sub-division of shares**

24A. Notwithstanding anything contained in Article 24, the Board of Directors may refuse applications for subdivision of Share Certificate into denominations of less than the marketable lot for the time being in force, except when such sub-division is required to be made to comply with a statutory order or an order of competent court of law or to remedy a genuine mistake of fact or law. PROVIDED THAT the Directors may, at their discretion, in case of genuine needs, allow sub-division of share certificates in denomination of less than the marketable lots, and may, if necessary, require production of suitable documentary evidence there for.

### **The first named joint holders deemed sole holder**

25. If any share stands in the names of two or more persons, the first named in the Register shall, as regards receipt of dividends or bonus or service of notice or any other 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 severally as well as jointly be liable for the payment of all installments and calls due in respect of such share, and for all incidents thereof according to the provisions of the Act.

### **Company not bound to recognize any interest in share other than of registered holder**

26. Except as ordered by a court / Tribunal of competent jurisdiction or as by law required, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share or whose name appears as the beneficial owner of shares in the records of the Depository, as the beneficial owner thereof and accordingly shall not be bound to recognize any benami trust, or equity or equitable, contingent or other claim to or interest in such share on the part of any other person whether or not it shall have express or implied notice thereof. The Board shall be entitled at their sole discretion to register any shares in the joint names of any two or more persons or the survivor or survivors of them.

### **Nomination**

26A. Notwithstanding anything contained hereinabove, a Member has a right to nominate one or more persons as his/her nominee(s) to be entitled to the rights and privileges as may be permitted under the law, of such member in the event of death of the said member/s subject to the provisions of the Companies Act, 2013, and other applicable laws.

### **Declarations in respect of beneficial interest in any share**

27. When any declaration is filed with the Company under the provisions of Section 89 of the Companies Act, 2013, (i) by any holder of shares who does not hold beneficial interest in such share specifying the particulars of the person holding beneficial interest in such shares, or (ii) by a person who holds or acquires a beneficial interest in any share of the Company specifying the nature of his interest, particulars of the person in whose name the shares stand registered in the books of the Company and such other particulars as may be prescribed, the Company, or (iii) by the person referred to in (i) and the beneficial owner referred to in (ii) where any change occurs in the beneficial interest of such shares, the Company shall make a note of such declaration in its concerned register and file, within 30 days from the date of receipt of the declaration by it, a return with the Registrar with regard to such declaration together with the prescribed fees for the same.

### **No purchase or giving of loans to purchase Company's shares**

28. Save as provided in Section 67 of the Companies Act, 2013, the Company shall not have the power to buy its own shares unless the consequent reduction of share capital is effected under the provisions of the Companies Act, 2013. The Company shall not give, whether directly or indirectly and whether by means of a loan, guarantee the provision of security or otherwise, any financial assistance for the purpose of, or in connection with, a purchase or subscription made or to be made, by any person of or for any share in the Company or in its holding Company.

### **UNDERWRITING**

#### **Commission may be paid**

29. Subject to the provisions of Section 40 of the Companies Act, 2013, the Company may at any time pay commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any

shares or debentures or debenture stock in the Company, or procuring, or agreeing to procure subscriptions (whether absolute or conditional) for any shares, debentures or debenture-stock 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 a half per cent of the price at which the debentures are issued. Such commission shall be paid either out of the proceeds of the issue or the profit of the Company or both. Subject to the provisions of the Act, any commission payable as aforesaid may be satisfied by payment of cash or by allotment of fully or partly paid shares or debentures as the case may be or partly in one way and partly in the other.

#### **Commission to be included in the Annual Return**

30. Where the Company has paid any sum by way of commission in respect of any shares or debentures such statement thereof shall be made in the Annual Return as required by Section 92 of the Companies Act, 2013.

#### **INTEREST OUT OF CAPITAL**

##### **Interest out of Capital**

31. Where any shares are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings, or the provisions of any plant, which cannot be made profitable for a lengthy period, the Company may pay interest on so much of that share capital as is for the time being paid up, for the period, at the rate and subject to the conditions and restrictions provided by the Act, and may charge the same to Capital as part of the cost of construction of the work or building or the provisions of the plant.

#### **CALLS**

##### **Directors may make Calls**

32. Subject to the provisions of Section 49 of the Companies Act, 2013, the Board of Directors may, from time to time, by a Resolution passed at a meeting (and not by a Circular Resolution), make such calls as it thinks fit upon the members in respect of all monies unpaid on the shares held by them (whether on account of the nominal value of the shares or by way of premium), and not by conditions of allotment thereof made payable at fixed time. Each member shall pay the amount of every call so made on him to the person or persons and at the time and place appointed by the Board of Directors. A call may be made payable by installments. A call may be postponed or revoked as the Board may determine.

##### **Notice of Calls**

33. At least fourteen days' notice in writing of any call shall be given by the Company specifying the time or times and place of payment, and the person or persons to whom such call shall be paid.

##### **Call to date from resolution**

34. 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 of Directors and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as shall be fixed by the Board of Directors.

##### **Directors may extend time**

35. The Board of Directors may, from time to time at its discretion, extend the time fixed for the payment of any call, and may extend such times as to all or any of the members who on account of residence at a distance or other cause, the Board of Directors may deem fairly entitled to such extension; but no member shall be entitled to such extension as of right except as a matter of grace and favor.

##### **Amount payable at fixed time or by installments to be treated as calls**

36. If by the terms of issue of any share or otherwise any amount is or becomes payable at any fixed time or by installments at fixed times (whether on account of the nominal amount of the shares or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.

### **When interest on call or installment payable**

37. If the sum payable in respect of any call or installment be not paid on or before the day appointed for the payment thereof the holder for the time being or allottee of the share in respect of which the call shall have been made or the installment shall be due, shall pay interest on the same at such rates as may be fixed by the Board of Directors from the day appointed for the payment thereof to the time of actual payment but the Directors may, in their absolute discretion, waive payment of such interest wholly or in part.

### **Evidence in actions by Company against shareholders**

38. On the trial or hearing of any action or suit brought by the Company against any member or his legal representatives for the recovery of any monies claimed to be due to the Company for any call 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 is entered in the Register of Members as the holder or as one of the holders of the shares at or subsequent to the date at which the money sought to be recovered is alleged to have become due, on the shares in respect of which such money is sought to be recovered that the resolution making the call is duly recorded in the minute book and that notice of such call was duly given to the member or his legal representatives sued in pursuance of these Articles and it shall not be necessary to prove the appointment of Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made nor that the meeting at which any call was made was duly convened or constituted nor any other matter whatsoever and the proof of the matters aforesaid shall be conclusive evidence of the debt.

### **Partial payment not to preclude forfeiture**

39. Neither a judgment nor a decree in favor of the Company for the calls or other monies due in respect of any shares nor 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 share, 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.

### **Payment in anticipation of calls may carry interest**

40. The Board of Directors may, if it thinks fit, subject to the provisions of Section 50 of the Act, agree to and receive from any member willing to advance the same, whole or any part of the moneys due upon the shares held by him beyond the sums actually called for and upon the amount so paid or satisfied in advance or so much thereof from time to time as exceeds the amount of the calls then made upon shares in respect of which such advance has been made, the Company may pay interest, at such rate, not exceeding, unless the Company in general meeting shall otherwise direct, twelve per cent per annum as the member paying the sum in advance and the Board of Directors agree upon. The Board of Directors may at any time repay the amount so advanced. The member paying any such sum in advance shall not be entitled to dividend or to participate in the profits of the Company or to voting rights in respect of the monies so paid by him until the same would, but for such payment, become presently payable. The provisions of these Articles shall *mutatis mutandis* apply to the calls on debentures of the Company.

## **LIEN**

### **Company's lien on shares/debentures**

41. The Company shall have a first and paramount lien upon all shares/debentures (other than fully paid up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof, for all moneys (whether presently payable or not), called or payable at a fixed time in respect of such shares/debentures and no equitable interests in any such share shall be created except upon the footing and condition that this Article is to have full effect. Any such lien shall extend to all dividends payable and bonuses declared from time to time declared in respect of 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. PROVIDED THAT the Board of Directors may, at any time, declare any share/debenture to be wholly or in part exempt from the provisions of this Article. Fully paid-up share shall be free from all lien and in the case of partly paid-up shares the Company's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.

### **As to enforcing lien by sale**

42. The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien for the purpose of enforcing the same. PROVIDED THAT no sale shall be made:-

- (a) unless a sum in respect of which the lien exists is presently payable; or
- (b) Until the expiration of fourteen days after the notice in writing demanding payment of such part of the amount in respect of which the lien exists as is presently payable has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency. For the purpose of such sale the Board may cause to be issued a duplicate certificate in respect of such shares and may authorize out of their members to execute a transfer thereof on behalf of and in the name of such members.

### **Transfer of shares sold under lien**

43. (1) To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof.

(2) The Purchaser shall be registered as the holder of the shares comprised in any such transfer.

(3) The Purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

### **Application of proceeds of sale**

44. (1) The net proceeds of any such sale shall be received by the Company and applied in or towards such part of the amount in respect of which the lien exists as is presently payable; and

(2) The residue, if any, shall be paid to the person entitled to the shares at the date of the sale (subject to a like lien for sums not presently payable as existed on the share before the sale).

### **FORFEITURE OF SHARES**

#### **If money payable on share not paid notice to be given to member.**

45. If any member fails to pay any call or any 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 of Directors may, at any time thereafter, during such time as the call for 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 nonpayment.

#### **If call or installment not paid, notice may be given.**

46. For the purpose of the provisions of these presents relating to forfeiture of shares, the sum payable upon allotment in respect of a share shall be deemed to be a call payable upon such share on the day of allotment.

#### **Form of notice**

47. The notice shall name a day (not being less than fourteen days from the date of the notice) and a place and at which such call or installment and such interest thereon at such rate 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.

#### **If default of payment, shares to be forfeited**

48. If the requirements of any such notice as aforesaid are not 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 due in respect thereof, be forfeited by a Resolution of the Board of Directors to that effect. Such forfeiture shall include all dividends declared or any other monies payable in respect of the forfeited shares and not actually paid before the forfeiture.

### **Notice of forfeiture to a member**

49. When any share shall have 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 Member, 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.

### **Forfeited share to be the property of the Company and may be sold etc.**

50. Any share so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of, either to the original holder or to any other person, upon such terms and in such manner as the Board of Directors shall think fit. The Board may decide to cancel such shares.

### **Member still liable to pay money owing at the time of forfeiture and interest**

51. Any member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment, at such rate not exceeding twelve per cent per annum as the Board of Directors may determine and the Board of Directors may enforce the payment of such monies or any part thereof, if it thinks fit, but shall not be under any obligation so to do.

### **Effect of forfeiture**

52. The forfeiture of a share shall involve extinction at the time of the forfeiture, of all interest in and all claims and demands against the Company in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.

### **Power to annul forfeiture**

53. The Board of Directors may at any time before any share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.

### **Validity of forfeiture**

54. (1) A duly verified declaration in writing that the declarant is a Director, the Managing Director or the Manager or Secretary of the Company, and that a share in the Company has been duly forfeited in accordance with these Articles, on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;

(2) The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposal thereof and may execute a transfer of the share in favor of the person to whom the share is sold or disposed of;

(3) The person to whom such share is sold, re-allotted or disposed off shall thereupon be registered as the holder of the shares;

(4) Any such purchaser or allottee shall not (unless by express agreement) be liable to pay any calls, amounts, installments, interest and expenses owing to the Company prior to such purchase or allotment nor shall be entitled (unless by express agreement) to any of the dividends, interest or bonuses accrued or which might have accrued upon the share before the time of completing such purchase or before such allotment;

(5) Such purchaser or allottee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the share.

**Provision of these Articles as to forfeiture to apply in case of non-payment of any sum**

55. The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

**Cancellation of share certificates in respect of forfeited shares**

56. Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the 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 new certificate or certificates in respect of the said shares to the persons entitled thereto.

**Surrender of shares**

57. The Directors may, subject to the provisions of the Companies Act, 2013, accept a surrender of any share from or for any member desirous of surrendering on such terms as they think fit.

**TRANSFER AND TRANSMISSION OF SHARES****Register of Transfers**

58. The Company shall keep a "Register of Transfers" and shall have recorded therein fairly and distinctly particulars of every transfer or transmission of any share and debenture held in material form.

**Transfer and Transmission of Shares and Securities held in electronic form**

59. In the case of transfer and transmission of shares or other marketable securities where the Company has not issued any certificates and where such shares or securities are being held in any electronic and fungible forming a Depository, the provisions of the Depositories Act, 1996 shall apply.

**Instrument of Transfer**

59A. The instrument of transfer of any share shall be in writing and all the provisions of Section 56 of the Companies Act, 2013 and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.

60. (1) An application for the registration and transfer of the shares in the Company may be made either by the transferor or the transferee.

(2) Whether the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.

(3) For the purpose of sub-clause (2), above, notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.

**To be executed by transferor and transferee**

61. Every such instrument of transfer duly stamped shall be executed by or on behalf of both the transferor and the transferee and attested and the transferor shall be deemed to remain the holder of such shares until the name of the transferee shall have been entered in the Register of Members in respect thereof. A common form of transfer shall be used.

**Transfer by legal representation**

62. A transfer of a share in the Company of a deceased member thereof made by his legal representative shall, although the legal representative is not himself a member, be as valid as if he had been a member at the time of the execution to the instrument of transfer.



### **Transfer books when closed**

63. The Board of Directors may, after giving not less than seven days previous notice by advertisement as required by Section 91 of the Companies Act, 2013 or such lesser period as may be specified by the Securities Exchange Board of India close the Transfer Books, the Register of Members or the Register of Debenture-holders at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty-five days in each year as it may seem expedient to the Board.

### **Directors may refuse to register transfers**

64. (a) Subject to the provisions of Sections 58 and 59 of the Companies Act, 2013 and other applicable provisions of the Act or any other law for the time being in force, the Directors may refuse whether in pursuance of any power of the Company under these Articles or otherwise to register the transfer of, or the transmissions by operation of law of the right to, any shares or debentures or interest of a Member in the Company. The Company shall within one month from the date of which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmissions, as the case may be, giving reasons for such refusal. PROVIDED THAT registration of a 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 if a company has lien on such shares. Transfer of shares/debentures in whatever lot shall not be refused.

(b) No share shall in any circumstances be transferred to any minor, insolvent or person of unsound mind, unless represented by a guardian.

### **Notice of refusal to be given to transferor and transferee**

65. If the Company refuses to register the transfer of any shares or transmission of any right therein, the Company shall within thirty days from the date on which the instrument of transfer or intimation of transmission was lodged with the Company send notice of refusal to the transferee and the transferor or to the person giving intimation of the transmission, as the case may be, and thereupon the provisions of Section 58 of the Companies Act, 2013, or any statutory modification thereof for the time being in force shall apply.

### **Death of one or more joint-holders of shares**

66. In case of the death of any one or more 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.

### **Titles to shares of deceased member**

67. Except where a deceased member had made a nomination in respect of the shares held (in which case such shares shall be dealt with in the manner prescribed by the Act and the Rules there under), the executors or administrators of a deceased member or the holder of a succession certificate or the legal representatives in respect of the shares of a deceased member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the shares registered in the names 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 representative 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 any case where the Board of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register under Article 71 the name of any person who claims to be absolutely entitled to the shares standing in the name of the deceased member, as a member.

### **Registration of persons entitled to shares otherwise than by transfer (Transmission Clause)**

68. Subject to the provisions of Articles 68 and 69 any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy or insolvency of any member or by and lawful means other than by transfer in accordance with these Articles, may with the consent of the Board of Directors (which it shall not be under obligation to give) upon



producing such evidence that he sustains the character in respect of which he proposes to act under these Articles, or of his title, as the Board of Directors shall require and upon giving such indemnity as the Directors shall require, either be registered as a member in respect of such shares or elect to have some person nominated by him and approved by the Board of Directors registered as a member in respect of such shares PROVIDED NEVERTHELESS that if such person shall elect to have his nominee registered, he shall testify his election by executing in favor of his nominee as instrument of transfer in accordance with the provision herein contained, and until he does so, he shall not be freed from any liability in respect of such shares. This clause is herein referred to as "THE TRANSMISSION CLAUSE".

#### **Refusal to register Nominee**

69. Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse to register a person entitled by transmission to any share or his nominee as if he were the transferee named in an ordinary transfer presented for registration.

#### **Directors entitled to refuse to register more than four joint holders**

70. The Company shall be entitled to decline to register more than four persons as the holders of any share.

#### **Persons entitled may receive dividend without being registered as member**

71. A person entitled to a share by transmission shall subject to the right of the Directors to retain such dividends or money as hereinafter provided, be entitled to receive and may give a discharge for any dividends or other monies payable in respect of the share.

#### **Conditions of registration of transfer**

72. Prior to the registration of a transfer, the certificate or certificates of the share or shares to be transferred, and if no such certificate is in existence, the Letter of Allotment of the shares, must be delivered to the Company along with (save as provided in Section 56 of the Act) a properly stamped and executed instrument of transfer, with the date of presentation of the instrument to the proper authorities, duly endorsed thereon.

#### **No fee on transfer or transmission**

73. No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and Letters of Administration, Certificates of Death or Marriage, Power of Attorney or similar other documents.

#### **The Company not liable for disregard of a notice prohibiting registration of a transfer**

74. 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 registration of such transfer, and may have entered such notice, or referred thereto in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book or 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 of Directors shall so think fit.

### **COPIES OF MEMORANDUM AND ARTICLES OF ASSOCIATION TO BE SENT TO MEMBERS**

#### **Copies of Memorandum and Articles of Association to be sent by the Company to members**

75. The Company shall subject to the payment of the fee prescribed under Section 17 of the Companies Act, 2013, or its statutory modification for the time being in force, on being so required by a member, send to him with seven days of the requirement, a copy of each of the following documents as in force for the time being.

(a) The Memorandum,

(b) The Articles, and

(c) Every agreement and every resolution referred to in sub-section (1) of Section 117 of the Companies Act, 2013, if and in so far as they have not been embodied in the Memorandum of the Company or these Articles.

## **BORROWING POWERS**

### **Power to borrow**

76. Subject to the provisions of Sections 177, 179 to 180 of the Companies Act, 2013 and of these Articles, the Board of Directors may, from time to time at its discretion, accept deposits from members either in advance of calls or otherwise and generally raise or borrow or secure the payment of any sum or sums of money for the purpose of the Company from any source. PROVIDED HOWEVER, where the monies to be borrowed together with the monies already borrowed (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) exceed the aggregate of the paid up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) the Board of Directors shall not borrow such money without the sanction of the Company in general meeting. No debt incurred by the Company in excess of the limit imposed by this Article shall be valid or effectual unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by this Article had been exceeded.

### **The payment or repayment of monies borrowed**

77. The payment or repayment of monies borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board of Directors may think fit, and in particular in pursuance of Resolution passed at a meeting of the Board (and not by Circular Resolution) by the issue of debentures of Debenture- Stock of the Company, charged upon all or any part of the property of the Company, (both present and future), including its uncalled capital for the time being, and the debentures and the Debenture- Stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

### **Terms of issue of Debentures**

78. Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise, if permissible under the Act, and may be issued on condition that they shall be convertible into shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawings, allotment of shares, attending (but not voting) at General Meetings, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in General Meeting, by a Special Resolution and subject to the permission of the Act.

### **Mortgage of uncalled capital**

79. If any uncalled capital of the Company is included in or charged by any mortgage or other security, the Directors may, subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favor such mortgage or security is executed.

### **Register of charges etc. to be kept**

80. The Board of Directors shall cause a proper register to be kept in accordance with the provisions of Section 85 of the Companies Act, 2013 of all mortgages, debentures and charges specifically affecting the property of the Company, and shall cause the requirements of Sections 71 and Sections 77 to 87 (both inclusive) of the Companies Act, 2013, in that behalf to be duly complied with, so far as they are to be complied with by the Company. The Company shall comply with the provisions of Section 79 of the Companies Act, 2013 as regards modification of a charge and its registration with the Registrar.

### **Register and Index of Debenture-holders**

81. The Company shall, if at any time it issues debentures, keep a Register and Index of Debenture Holders in accordance with Section 88 of the Companies Act, 2013. The Company shall have the power to keep in any State or Country outside India a branch Register of Debenture-holders resident in the State or country.

## **MEETINGS OF MEMBERS**

### **Annual General meeting**

82. (1) The Company shall in each year hold, in addition to any other meetings, a general meeting as its Annual General Meeting in accordance with the provisions of Sections 96 and 129 of the Companies Act, 2013 and shall specify the meeting as such in the notice calling it, except in the case where the Registrar, has given an extension of time for holding any annual general meeting and not more than fifteen months shall elapse between the date of one annual general meeting of the Company and that of the next. PROVIDED THAT the Registrar may, for any special reason, extend the time within which any annual general meeting shall be held, by a period not exceeding three months.

(2) Every annual general meeting shall be called for any time during business hours, that is, between 9 a.m. and 6 p.m., on any day that is not a National Holiday (as defined under the Companies Act, 2013) and shall be held either at the registered office of the Company or at some other place within the city or town or village in which the registered office of the Company is situated for the time being.

(3) Every member of the Company shall be entitled to attend either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any general meeting which the attends on any part of the business which concerns him as Auditor.

### **Report, Statement and Registers to be laid before the annual general meeting**

83. At every annual general meeting of the Company there shall be laid on the table the Directors' Report and Audited Statement of Accounts, Auditors' Report (if not already incorporated in the Audited Statement of Accounts), the Proxy Register with Proxies, and the Register of Directors and Key Management Personnel maintained under Section 170 of the Companies Act, 2013.

### **Extra-Ordinary General Meeting**

84. All general meetings other than annual general meeting shall be called Extra-Ordinary General Meeting.

### **Annual Return**

85. (1) The Company shall comply with the provisions of Section 92 of the Companies Act, 2013 regarding the filing of Annual Return and as regards the annual return and certificates to be annexed thereto.

### **Place of keeping & Inspection of registers & returns**

(2) The Register required to be kept and maintained by the Company under Section 88 of the Companies Act, 2013 and copies of the annual return filed under Sections 92 of the Companies Act, 2013, shall be kept at the registered office of the Company. PROVIDED THAT such registers or copies of return may, also be kept at any other place in India in which more than one-tenth of the total number of members entered in the register of members reside, if approved for this purpose by a Special Resolution passed in general meeting of the Company and the Registrar has been given a copy of the proposed Special Resolution in advance.

### **Inspection**

(3) (a) The registers and their indices, except when they are closed under the provisions of the Act, and the copies of all the returns shall be open for inspection by any member, debenture holder or other security holder or beneficial owner, during the business hours (subject to such reasonable restrictions as the Company may impose) without fee and by any other person on payment of such fees as may be prescribed under the Act and the rules made thereunder.

(b) Any such member, debenture-holder, other security holder or beneficial owner or any other person may take extracts from any register, or index or return without payment of any fee or require a copy of any such register or entries therein or return on payment of such fees as may be prescribed under the act not exceeding ten rupees for each page. Such copy or entries or return shall be supplied within seven days of deposit of such fee. (4) The Company shall cause any copy required by any person under Clause (b) of sub-clause (3) to be sent to that person within a period of seven days of the deposit of such fees exclusive of non-working days, commencing on the day next after the day on which the requirement is received by the Company.

### **Circulation of Members' Resolution**

86 (1) Subject to the provisions of Section 111 of the Companies Act, 2013, the Directors shall on the requisition in writing of such number of members as required in Section 100 of the Companies Act,:-

(a) give notice to the members of the Company of any resolution which may properly be moved and is intended to be moved at a meeting;

(b) Circulate to members, any statement with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting.

(2) Subject to the provisions of Section 100 of the Companies Act, 2013, the number of members necessary for a requisition under clause (1) hereof shall be such number or numbers who hold, on the date of receipt of the requisition, not less than one-tenth of the paid up share capital of the Company as on that date carried the right of voting.

(3) The Company shall not be bound under this Article to give notice of any resolution or to circulate any statement unless :

(a) a copy of a requisition signed by the requisitionists (or two or more copies which between them contain the signature of all the requisitionists) is deposited at the registered office of the Company<sup>37</sup>

(i) in the case of a requisition requiring notice of resolution, not less than six weeks before the meeting,

(ii) in the case of any other requisition not less than two weeks before the meeting, and

(b) there is deposited or tendered with the requisition a sum reasonably sufficient to meet the Company's expenses in giving effect thereto. PROVIDED that if after a copy of the requisition requiring notice of a resolution has been deposited at the registered office of the Company, an annual general meeting is called on a date within six weeks after such copy has been deposited, the copy, although not deposited within the time required by this clause, shall be deemed to have been properly deposited for the purpose thereof.

(4) The Company shall not also be bound under this Article to circulate any statement, if, on the application either of the Company or of any other person who claims to be aggrieved, the Central Government by order declares that the rights conferred by this clause are being abused to secure needless publicity for defamatory matter.

#### **Contents of requisition and number of requisitionists required and the conduct of meeting**

87. In case of requisition the following provisions shall have effect :

(1) The requisition shall set out the matters for the consideration of which the meeting is to be called, and shall be signed by the requisitionists and sent to the registered office of the Company.

(2) The number of members entitled to requisition an extraordinary general meeting shall be such number of members who hold at the date of the receipt of the requisition, not less than one-tenth of such of the paid up capital of the Company as on that date carries the right of voting.

(3) If the Board does not, within twenty-one days from the date of the deposit of a valid requisition in regard to any matters, proceed duly to call a meeting for the consideration of those matters on a day not later than forty-five days from the date of receipt of the requisition, the meeting may be called and held by the requisitionists themselves within a period of three months from the date of the requisition.

(4) A meeting called under clause (3) by requisitionists shall be called and held in the same manner in which the meeting is called and held by the Board.

(5) Any reasonable expenses incurred by the requisitionists in calling a meeting under sub-clause (3) shall be reimbursed to the requisitionists by the Company, and any sums so paid shall be deducted from any fee or other remuneration under Section 197 of the Companies Act, 2013 payable to such of the Directors who were in default in calling the meeting.

### **Length of notice of meeting**

88. A general meeting of the Company may be called by giving not less than clear twenty-one days' notice either in writing or through electronic mode in such manner as may be prescribed by the Act and the rules made there under. Provided that a general meeting may be called after giving a shorter notice if consent is given in writing or by electronic mode by not less than ninety-five per cent of the members entitled to vote at such meeting.

### **Contents and manner of service of notice**

89 (1) Every notice of a meeting of the Company shall specify the place, date, day and hour of the meeting and shall contain a statement of the business to be transacted thereat.

(2) The notice of every meeting shall be given to:

(a) every member of the Company, legal representative of any deceased member or the assignee of an insolvent member;

(b) the Auditor or Auditors for the time being of the Company; and

(c) Every director of the Company.

(3) In every notice calling a meeting of the Company, there shall appear with reasonable prominence a statement that a member entitled to attend and vote at the meeting is entitled to appoint a proxy, or, where that is allowed, one or more proxies, to attend and vote instead of himself, and that a proxy need not be a member of the Company.

### **Special and ordinary business and explanatory statement**

90. (1) (a) In the case of an annual general meeting, all business to be transacted at the meeting, shall be deemed special with the exception of business relating to:

(i) The consideration of financial statements and the reports of the Board of Directors and Auditors;

(ii) The declaration of any dividend;

(iii) The appointment of Directors in the place of those retiring; and

(iv) The appointment of, and the fixing of the remuneration of the Auditors

(b) In the case of any other meeting, all business shall be deemed special;

(2) PROVIDED that where any item of special business to be transacted at a meeting of the Company relates too affects any other company, the extent of shareholding interest in that other company of every promoter, Director, manager, if any, and of every other key managerial personnel of the Company shall, if the extent of such shareholding interest is not less than two per cent of the paid-up share capital of that company, also beset out in the statement.

(3) Where any item of business refers to any document which is to be considered by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.

### **Omission to give notice not to invalidate a resolution passed**

91. Any accidental omission to give any such notice as aforesaid to, or the non-receipt thereof by any member or other person who is entitled to such notice for any meeting shall not invalidate the proceedings of any such meeting.

### **Notice of business to be given**

92. No general meeting, 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 convening the meeting.

## **Quorum**

93. The number of members prescribed under Section 103 of the Companies Act, 2013 and entitled to vote and present in person shall be a quorum for general meeting and no business shall be transacted at the general meeting unless the quorum requisite be present at the commencement of the meeting. A body corporate being a member shall be deemed to be personally present if it is represented in accordance with Section 113 of the Companies Act, 2013. The President of India or the Governor of a State, if he is a member of the Company, shall be deemed to be personally present if he is represented in accordance with Section 112 of the Companies Act, 2013.

## **Presence of quorum**

94. (1) If within half an hour from the time appointed for holding a meeting of the Company the quorum is not present, (a) the meeting shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Board may determine; or (b) the meeting, if called by requisitionists in accordance with Section 100 of the Companies Act, 2013, shall stand cancelled. Provided that in case of an adjourned meeting or of a change of day, time or place of meeting under sub clause (a), the Company shall give not less than three days' notice to the members either individually or by publishing an advertisement in the newspapers (one in English and one in vernacular language) which is in circulation at the place where the registered office of the Company is situated.

(2) If at the adjourned meeting also a quorum is not present within half an hour from the time appointed for holding the meeting, the members present shall be the quorum and may transact the business for which the meeting was called.

## **Resolution passed at adjourned meeting**

95. Where a resolution is passed at an adjourned meeting of the Company, the resolution shall for all purposes be treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date.

## **Chairman of general meeting**

96. The Chairman of the Board of Directors shall be entitled to take the chair at every general meeting, or if there be no such Chairman, or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding such meeting, or shall decline to take the chair, the Directors present shall elect one of them as Chairman and if no Director be present or if the Directors present decline to take the chair, then the members present shall elect one of their members to be a Chairman. If a poll is demanded on the election of the Chairman it shall be taken forthwith in accordance with the provisions of the Act and the Chairman elected on show of hands shall exercise all the powers of the Chairman under the said provisions. If some other person is elected as a result of the poll he shall be the Chairman for the rest of the meeting.

## **Business confined to election of Chairman whilst chair vacant**

97. No business shall be discussed at any general meeting except the election of a Chairman whilst the chair is vacant.

## **Chairman may adjourn Meeting**

98. (1) The Chairman may, with the consent of any meeting at which a quorum is present and shall, if so directed by the meeting, adjourn the meeting from time to time from place to place.

(2) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

## **Voting to be by show of hands in the first instance**

99. At any general meeting, a resolution put to the vote of the meeting shall unless a poll is demanded under Section 109 of the Companies Act, 2013, or the voting is carried out electronically, be decided on a show of hands.



### **Chairman's declaration of result of voting on show of hands**

100. A declaration by the Chairman that on a show of hands, a resolution has or has not been carried, either unanimously or by a particular majority, and an entry to that effect in the books containing the minutes of the proceeding of the Company shall be conclusive evidence of the fact of passing of such resolution, or otherwise, without proof of the number of proportion of votes in favor or against such resolution.

### **Demand for poll**

101 (1) Before or on the declaration of result of voting on any resolution on a show of hands, a poll may be ordered to be taken by the Chairman of the meeting on his own motion and shall be ordered to be taken by him on a demand made in that behalf by the members present in person or by proxy, where allowed, and having not less than one-tenth of the total voting power or holding shares on which an aggregate sum of not less than five Lakh rupees or such higher amount as may be prescribed has been paid-up.

(2) The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

### **Time of taking poll**

102. A poll demanded for adjournment of the meeting or appointment of Chairman of the meeting shall be taken forthwith. A poll demanded on any question other than adjournment of the meeting or appointment of a Chairman shall be taken at such time, not being later than forty-eight hours from the time when the demand was made and in such manner and place as the Chairman of the meeting may direct.

### **Chairman's casting vote**

103. In the case of an equality of votes, the Chairman shall, both on a show of hands and on a poll (if any) have a casting vote in addition to the vote or votes to which he may be entitled as a member.

### **Scrutinizers' at poll**

104. Where a poll is to be taken, the Chairman of the meeting shall appoint one scrutinizer to scrutinize the vote given on the poll and to report thereon to him. Subject to the provisions of Section 109 of the Companies Act, 2013, the Chairman of the meeting shall have power to regulate the manner in which the poll shall be taken and the result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.

### **Demand for poll not to prevent transaction of other business**

105. The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

### **Vote by Postal Ballot**

106 Subject to the provisions of Section 110 of the Companies Act, 2013 and these Articles, and as may be applicable by law, the Company shall, in respect of such items of business as the Central Government may, by notification, declare to be transacted only by means of postal ballot; and may, in respect of any item of business, other than ordinary business and any business in respect of which directors or Auditors have a right to be heard at any meeting, transact by means of postal ballot, in such manner as may be prescribed, instead of transacting such business at a General Meeting.

### **Special notice**

106A. Whereby any provision contained in the Act or in these Articles special notice is required for any resolution, notice of the intention to move the resolution shall be given to the Company by such number of members holding not less than one percent of total voting power or holding shares on which such aggregate sum not exceeding five Lakh rupees, as may be prescribed, has been paid-up and the Company shall give its members notice of the resolution in such manner as may be prescribed.

## **Registration of documents with the Registrar**

107. A copy of each of every resolutions or agreement in respect of the following matters together with the explanatory statement under Section 102 of the Companies Act, 2013, if any, annexed to the notice calling the meeting in which such resolution is proposed, shall be filed with the Registrar within thirty days of the passing or making thereof in such a manner and with such fees as may be prescribed within the time specified under Section 403 of the Companies Act, 2013:

- (a) Every special resolution.
- (b) Every resolution which has been agreed to by all members of the Company, but which, if not so agreed to, would not have been effective for the purpose unless it had been passed as a special resolution.
- (c) Every resolution of the Board of Directors or agreement executed by the Company relating to the appointment, re-appointment or renewal of appointment or variation in the terms of appointment of a Managing Director.
- (d) Every resolution or agreement which has been agreed to by all the members of any class of shareholders but which, if not so agreed to, would not have been effective for the purpose unless it had been passed by a specified majority or otherwise in some particular manner; and every resolution or agreement which effectively binds all the members or any class of shareholders though not agreed to by all those members.
- (e) Every resolution passed by the Company according consent to the exercise by the Board of Directors of any of the powers under clause (a), and clause (c) of sub-section (1) of the Section 180 of the Companies Act, 2013.
- (f) Every resolution requiring the Company to be wound up voluntarily passed in pursuance of Section 304 of the Companies Act, 2013.
- (g) Every resolution passed in pursuance of sub-section (3) of Section 179 of the Companies Act, 2013; and
- (h) Any other resolution or agreement as may be prescribed and placed in the public domain. Provided that the copy of every such resolution which has the effect of altering the Articles and the copy of every agreement referred to above shall be embodied in or annexed to, every copy of these Articles issued after the passing of the resolution or the making of the agreement.

## **VOTES OF MEMBERS**

### **Member paying money in advance not to be entitled to vote in respect thereof**

108. A member paying the whole or a part of the amount remaining unpaid on any share held by them although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the monies so paid by him until the same would but for such payment become presently payable.

### **Restriction on exercise of voting rights of members who have paid calls**

109. No member shall exercise any voting rights in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien.

### **Number of votes to which member entitled**

110. Subject to the provisions of Section 43 and sub-section (2) of Section 50 of the Companies Act, 2013, every member of the Company holding any equity share capital shall have a right to vote on every resolution placed before the Company; and his voting rights on a poll shall be in proportion to his share of the paid-up equity share capital of the Company. Every member holding any preference share capital of the Company, shall, in respect of such capital, have the right to vote only on resolutions placed before the Company which directly affect the rights attached to his preference shares and any resolution for the winding up of the Company or for the repayment or reduction of its equity or preference share capital and his voting rights on a poll shall be in proportion to his share in the paid up preference

share capital of the Company. Provided that the proportion of the voting rights of equity shareholders to the voting rights of the preference shareholders shall be in the same proportion as the paid-up capital in respect of the equity shares bears to the paid-up capital in respect of the preference shares: Provided further that where the dividend in respect of a class of preference shares has not been paid for a period of two years or more, such class of preference shareholders shall have a right to vote on all the resolutions placed before the Company.

#### **Vote of member of unsound mind**

111. A member of unsound mind or in respect of whom order has been made by any Court having jurisdiction in lunacy, may vote whether on a show of hands or on a poll by his committee or other legal guardian and any such committee or guardian may on a poll, vote by proxy.

#### **Votes of joint members**

112. If there be joint registered holders of any shares any one of such persons may vote at any meeting personally or by an agent duly authorized under a Power of Attorney or by 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 either personally or by agent or by proxy, that one of the said persons so present who stands higher on the register shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holder shall be entitled to be present at the meeting; provided always that a person present at any meeting personally shall be entitled to vote in preference to a person present by an agent duly authorized under a Power of Attorney or by proxy although the name of such person present by agent or proxy stands first or higher in the Register in respect of such shares. Several executors or administrators or a deceased member in whose name shares stand shall for the purpose of these Articles be deemed joint holders thereof.

#### **Representation of body Corporate**

113. A body corporate (whether a company within the meaning of the Act or not) may,

(a) if it is member of the Company by a resolution of its board of directors or other governing body, authorize such person as it thinks fit to act as its representative at any meeting of the Company, or at any meeting of any class of members of the Company;

b) if it is a creditor, (including a holder of debentures of the Company) by a resolution of its directors or other governing body, authorize such person as it thinks fit to act as its representative at any meeting of any creditors of the Company held in pursuance of the Act or of any rules made thereunder, or in pursuance of the provisions contained in any debenture or trust deed, as the case may be.

(2) A person authorized by resolution as aforesaid shall be entitled to exercise the same rights and power (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise if it were an individual member, creditor or holder of debentures of the Company.

#### **Representation of President and Governors in meetings**

114. Where the President of India or the Governor of a State is a member of the Company, the President or, as the case may be, the Governor may appoint such person as he thinks fit, to act as his representative at any meeting of the Company or at any meeting of any class of members of the Company and such a person shall be deemed to be a member of the Company and shall be entitled to exercise the same rights and powers, including the right to vote by proxy, as the President, or as the case may be, the Governor could exercise as a member of the Company.

#### **Votes in respect of deceased or insolvent members**

115. Any person entitled under the Transmission Clause to transfer any shares may vote at any general meeting in respect thereof in the same manner as if he was the registered holder of such shares, provided that at least forty-eight hours before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote he shall satisfy the Directors of his rights to transfer such shares and give such indemnity (if any) as the Directors may require unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.

### **Voting in person or by Proxy**

116. Subject to the provisions of these Articles vote may be given either personally or by proxy.

### **Rights of members to use his votes differently**

117. 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.

118. Subject to the provisions of the Act and the rules made thereunder, any member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person (whether a member or not) as his proxy to attend and vote instead of himself Provided that a proxy so appointed shall not have the right to speak at the meeting and shall not be entitled to vote except on a poll. Provided further that a person appointed as proxy shall act on behalf of such number of members not exceeding fifty and such number of shares as may be prescribed. Every notice convening a meeting of the Company shall state that a member entitled to attend and vote is entitled to appoint one or more proxies and that the proxy need not be a member.

### **Proxy either for specified meeting or for a period**

119. An instrument of proxy may appoint a proxy either for the purposes of a particular meeting specified in the instrument and any adjournment thereof or it may appoint for the purposes of every meeting to be held before a date specified in the instrument and every adjournment of any such meeting.

### **No proxy except for the corporation to vote on a show of hands**

120. No member present only by proxy shall be entitled to vote on a show of hands.

### **Deposit of instrument of appointment**

121. The instrument appointing a proxy and the Power of Attorney or other authority (if any) under which it is signed or a notarially certified copy of that Power of Attorney or authority, shall be deposited at the office forty-eight hours before the time for holding the meetings 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 valid after the expiration of twelve months from the date of its execution.

### **Form of proxy**

122. Every instrument of proxy whether for specified meeting or otherwise shall, as nearly as circumstances will admit, be in the form set out in the Companies (Management and Administration) Rules, 2014 (or any corresponding amendment or modification thereof that may be prescribed).

### **Inspection of proxies**

123. Every member entitled to vote at a meeting of the Company according to the provisions of these Articles on any resolution to be moved thereat, shall be entitled during the period beginning twenty four hours before the time fixed for the commencement of the meeting, and ending with the conclusion of the meeting, to inspect proxies lodged, at any time during the business hours of the Company provided not less than three days 'notice in writing of the intention so as to inspect is given to the Company.

### **Validity of votes given by proxy notwithstanding revocation of authority**

124. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the proxy or of any Power of Attorney or authority 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, revocation or transfer shall have been received at the office before the commencement of the meeting, or adjourned meeting at which the proxy is used.

### **Time for objections to vote**

125. No objection shall be made to the qualification of any vote or to the validity of the vote except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote, whether given personally or by proxy, not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the Meeting.

### **Chairman of any meeting to be the Judge of validity of any vote**

126. The Chairman of any meeting shall be sole judge of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

### **Custody of instrument**

127. If any such instrument of appointment be confined to the object of appointing an attorney or proxy for voting at meetings of the Company it shall remain permanently or for such time as the Directors may determine, in the custody of the Company. If embracing other objects, copy thereof examined with the original shall be delivered to the Company to remain in the custody of the Company.

## **DIRECTORS**

### **Number of Directors**

128. Until otherwise determined by a general meeting of the Company and subject to the provisions of Section 149 and 151 of the Companies Act, 2013, the number of Directors shall not be less than 3 and not more than 15 and the manner of constituting the Board shall be as prescribed under the Act and as may be directed by the Securities and Exchange Board of India.

### **Directors**

129. The first directors of the Company are:

1. Mr. Mahesh Kantilal Shah
2. Mrs. Mamta Mahesh Shah

### **Debenture Directors**

130. Any Trust Deed for securing and covering the issue of debentures or debenture stocks of the Company, may provide for the appointment, from time to time, by the Trustees thereof or by the holders of debentures or debenture stocks, of some person to be a Director of the Company for and on behalf of the debenture holders for such period for which the debentures or any of them shall remain outstanding and may empower such Trustees or holder of debentures or debenture stocks, from time to time, to remove and reappoint any director so appointed. The Director appointed under this Article is herein referred to as "Debenture Director" and the term "Debenture Director" means the Director for the time being in office under this Article. The Debenture Director shall not be liable to retire by rotation or be removed by the Company. The Trust Deed may contain such ancillary provision as may be agreed between the Company and the Trustees and all such provisions shall have effect notwithstanding any of the other provisions herein contained.

### **Nominee Directors**

131. Notwithstanding anything to the contrary contained in these Articles, so long as any monies remain owing by the Company to (i) the Life Insurance Corporation of India (LIC), (ii) the Infrastructure Development Finance Company Limited, (iii) specified company referred to in the Unit Trust of India (Transfer of Undertaking and Repeal) Act, 2002, (iv) institutions notified by the Central Government under sub-section (2) of Section 4A of the Companies Act, 1956, (v) such other institutions as may be notified by the Central Government in consultation with the Reserve Bank of India, or (vi) any other bank or entity providing financing facilities to the Company (each of the above is hereinafter in this Article referred to as "the Corporation") out of any loans/debentures assistance granted by them to the Company or so long as the Corporation holds or continues to hold Debentures/Shares in the Company as a result of underwriting or by direct subscription or private placement, or so long as any liability of the Company arising out of any guarantee

furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time, any person or persons as a Director or Directors, whole-time or non-whole-time (which Director or Directors, is/are hereinafter referred to as “Nominee Director/s”) on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their place/s. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s. At the option of the Corporation such Nominee Director/s shall not be required to hold any share qualification in the Company. Also at the option of the Corporation such Nominee Director/s shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company. The Nominee Director/s so appointed shall hold the said office only so long as any monies remain owing by the Company to the Corporation or so long as the Corporation holds or continues to hold Debentures/Shares in the Company as a result of underwriting or by direct subscription or private placement or the liability of the Company arising out of the guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall, ipso facto, vacate such office immediately the monies owing by the Company to the Corporation are paid off or on the Corporation ceasing to hold Debentures/Shares in the Company or on the satisfaction of the liability of the Company arising out of the guarantee furnished by the Corporation. The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and of the Meetings of the Committee of which the Nominee Director/s/are member/s as also the minutes of such Meetings. The Corporation shall also be entitled to receive all such notices and minutes. The Company shall pay to the Nominee Director/s sitting fees and expenses to which the other Directors of the Company are entitled but if any other fees, commission, monies or remuneration in any form is payable to the Directors of the Company, the fees, commission, monies and remuneration in relation to such Nominee Director/s shall accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director/s in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to the Corporation or as the case may be, to such Nominee Director/s. Provided that if any such Nominee Director/s is an officer of the Corporation, the sitting fees, in relation to such Nominee Director/s shall also accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Provided further that in the event of any remuneration payable to the Nominee Director/s, by way of commission, salary or perquisites (other than sitting fees and reimbursement of actual expenses incurred by them in attending to Company’s work) such remuneration shall be paid only with the prior approval of the Central Government under Section 309/310 of the Companies Act, 1956. Provided further that in the event of the Nominee Director/s being appointed as Managing Director/Whole time Director/s, such Nominee Director/s shall exercise such powers and duties as may be approved by the Corporation and have such rights as are usually exercised or available to a Whole time Director in the management of the affairs of the Company. Such Whole Time Directors shall be entitled to receive such remuneration, fees, commission and monies as may be approved by the Corporation. Provided further that the appointment of Nominee Director/s as Managing/Whole time Director/s, as aforesaid, is subject to the provisions of Sections 203 and 197 of the Companies Act, 2013 and any other applicable provisions of the Act and the rules made thereunder.

### **Special Directors**

132. In connection with any collaboration arrangement with any company or corporation or any firm or person for supply of technical knowhow and/or machinery or technical advice, the Directors may authorize such company, corporation, firm or person (hereinafter referred to as “Collaborator”) to appoint from time to time any person as a Director of the Company (hereinafter referred to as “Special Director”) and subject to the provisions of the Act, may agree that such Special Directors shall not be liable to retire by rotation so however that Special Director shall hold office so long as such collaboration arrangement remains in force. The Collaborator may at any time and from time to time remove such Special Director appointed by it and may at any time after such removal and also in the case of death or resignation of the person so appointed, at any time nominate any other person as a Special Director in his place and such nomination or removal shall be made in writing signed by the collaborator, his authorized representative and shall be delivered to the Company at its registered office. It is clarified that every collaborator entitled to appoint a Director under this Article may appoint one such person as a Director and so that if more than one collaborator is so entitled there may be at any time as many Special Directors as the number of Collaborators eligible to make the appointment.

### **Limit on number of retiring Directors**

133. The provisions of Articles 130, 131, 132 and 133 are subject to the provisions of Section 152 of the Companies Act, 2013, and the number of such Directors appointed under Articles 131, 132, 133 and 168 shall not exceed in the aggregate one-third of the total number of Directors for the time being in office. However, the Independent Director appointed under Section 152 of the Companies Act, 2013 will not be considered for the purpose of calculating the total



number of directors liable for retirement by rotation and term of such Independent Director shall be as provided under Section 152 of the Companies Act, 2013.

#### **Appointment of Alternate Director**

134. The Board may appoint a person, not being a person holding any alternate directorship for any other Director in the Company (hereinafter called the Original Director) to act as an Alternate Director for the Original Director during his absence for a period of not less than three months from India . Provided that no person shall be appointed as an Alternate Director for an Independent Director unless he is qualified to be appointed as an independent director under the provisions of the Act. Every such Alternate Director, shall subject to his giving to the Company an address in India at which notice may be served on him, be entitled to notice of meeting of Directors and to attend and vote as a Director and be counted for the purposes of a quorum and generally at such meetings to have and exercise all the powers and duties and authorities of the Original Director. The Alternate Director appointed under this Article shall vacate office as and when the Original Director is determined before he returns to India, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.

#### **Directors may fill Vacancies**

135. The Directors shall have power at any time and from time to time to appoint any qualified person to be a Director to fill a casual vacancy. Such casual vacancy shall be filled by the Board of Directors at a meeting of the Board. Any person so appointed shall retain his office only up to the date up to which the Director in whose place he is appointed would have held office, if it had not been vacated as aforesaid but he shall thence eligible for re-election.

#### **Additional Director**

136. The Directors shall also have power at any time and from time to time to appoint any other qualified person, other than a person who fails to get appointed as a director in a general meeting of the Company, to be an Additional Director who shall hold office only up to the date of the next annual general meeting or the last date on which the annual general meeting should have been held, whichever is earlier.

#### **Qualification of Directors**

137. A Director shall not be required to hold any qualification shares.

#### **Remuneration of Directors**

138. The remuneration payable to a non-whole-time-Director for attending each meeting of the Board or a Committee thereof shall be such sum as may be fixed by the Board of Directors not exceeding the maximum as may be prescribed by the Act (and the rules made thereunder), SEBI, or by the Central Government. The Directors, subject to the sanction of the Central Government (if any required), may be paid such further remuneration as the Company in general meeting shall, from time to time, determine and such further remuneration shall be divided among the Directors in such proportion and manner as the Board may from time to time determine; and in default of such determination shall be divided among the Directors equally.

#### **Extra remuneration to Directors for special Work**

139. Subject to the provisions of Sections 197 and 188 of the Companies Act, 2013 and other applicable provisions of the Act and the rules made thereunder, if any Director, being willing shall be called upon to perform extra services (which expression shall include work done by a Director as a member of any committee formed by the Directors or in relation to signing share certificates) or to make special exertions in going or residing out of his usual place of residence or otherwise for any of the purposes of the Company, the Company shall remunerate the Director so doing either by fixed sum or otherwise as may be determined by the Directors, and such remuneration may be, either in addition to or in substitution for his share in the remuneration above provided

#### **Travelling expenses incurred by Directors on Company's business**

140. The Board of Directors may subject to the limitations provided by the Act allow and pay to any Directors who attends a meeting at a place other than his usual place or residence for the purpose of attending a meeting, such sum as

the Board may consider fair compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified.

### **Directors may act notwithstanding vacancy**

141. The Continuing Directors may act notwithstanding any vacancy in their body, but if and as long as their number is reduced below the quorum fixed by these Articles for a meeting of the Board of Directors, the Continuing Directors may act for the purpose of filling vacancies to increase the number of Directors to that fixed for the quorum or for summoning a general meeting of the Company, but for no other purpose.

### **Disqualification for appointment of Directors**

142 (1) Subject to the provisions of Section 164 and 165 of the Companies Act, 2013, a person shall not be capable of being appointed Director of the Company, if –

- (a) he is of unsound mind and stands so declared by a Court of competent jurisdiction;
- (b) he is an undischarged insolvent;
- (c) he has applied to be adjudged an insolvent and his application is pending;
- (d) he has been convicted by a court of any offence involving moral turpitude or otherwise, and sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence; Provided that if a person has been convicted of any offence and sentenced in respect thereof to imprisonment for a period of seven years or more, he shall not be eligible to be appointed as a director of the Company.
- (e) he has not paid any call in respect of shares of the Company held by him, whether alone or jointly with others, and six months have elapsed from the last day fixed for the payment of the call;
- (f) he has been convicted of the offence dealing with related party transactions under Section 188 of the Companies Act, 2013 at any time during the last preceding five years; or
- (g) He has not complied with sub-section (3) of Section 152 of the Companies Act, 2013.

(2) No person who is or has been a director of a company, where the company—

- (a) has not filed financial statements or annual returns for any continuous period of three financial years; or
- (b) has failed to repay the deposits accepted by it or pay interest thereon or to redeem any debentures on the due date or pay interest due thereon or pay any dividend declared and such failure to pay or redeem continues for one year or more, shall be eligible to be re-appointed as a director of that company or appointed in other company for a period of five years from the date on which the said company fails to do so.

### **Vacation of office by Directors**

143 (1) Subject to the provisions of Section 167 of the Companies Act, 2013, the office of a Director shall become vacant if :

- (a) he incurs any of the disqualifications specified in Section 164 of the Companies Act, 2013;
- (b) he absents himself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence of the Board;
- (c) he acts in contravention of the provisions of Section 184 of the Companies Act, 2013, relating to entering into contracts or arrangements in which he is directly or indirectly interested;
- (d) he fails to disclose his interest in any contract or arrangement in which he is directly or indirectly interested, in contravention of the provisions of Section 184 of the Companies Act, 2013;
- (e) he becomes disqualified by an order of a court or the Tribunal;

(f) he is convicted by a court of any offence, whether involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than six months: Provided that the office shall be vacated by the director even if he has filed an appeal against the order of such court;

(g) he is removed in pursuance of the provisions of the Act;

(h) he, having been appointed a director by virtue of his holding any office or other employment in the holding, subsidiary or associate company, ceases to hold such office or other employment in that company.

### **Removal of Directors**

144 (a) The Company may (subject to the provisions of Section 169 and other applicable provisions of the Companies Act, 2013 and these Articles) by ordinary resolution remove any Director before the expiry of his period of office. Provided that nothing contained in this sub-clause shall apply where the Company has availed itself of the option given to it under Section 163 of the Companies Act, 2013, to appoint not less than two-thirds of the total number of directors according to the principle of proportional representation.

(b) Special notice shall be required of any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed at the meeting at which he is removed.

(c) On receipt of notice of a resolution to remove a Director under this Article, the Company shall forthwith send a copy thereof to the Director concerned and the Director (whether or not he is a member of the Company) shall be entitled to be heard on the resolution at the meeting.

(d) Where notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect thereto representations in writing to the Company and requests its notification to members of the Company, the Company shall, if the time permits it to do so - (a) in the notice of the resolution given to the members of the Company, state the fact of the representations having been made, and (b) send a copy of the representations to every member of the Company to whom notice of the meeting is sent (before or after the receipt of the representations by the Company) and if a copy of the representations is not sent as aforesaid because they were received too late or because of the Company's default, the Director may (without prejudice to his right to be heard orally) require that the representations shall be read out at the meeting: Provided that copies of the representations need not be sent or read out at the meeting if on the application either of the Company or of any other person who claims to be aggrieved, the Tribunal is satisfied that the rights conferred by this sub-clause are being abused to secure needless publicity for defamatory matter, and the Tribunal may order the Company's costs on the application to be paid in whole or in part by the director notwithstanding that he is not a party to it.

(e) A vacancy created by the removal of a Director under this Article may, if he had been appointed by the Company in General Meeting or by the Board be filled by the appointment of another director in his stead at the meeting at which he is removed; Provided special notice of the intended appointment has been given. A Director so appointed shall hold office till the date up to which his predecessor would have held office if he had not been removed as aforesaid.

(f) If the vacancy is not filled under sub-clause (e), it may be filled as a casual vacancy in accordance with the provisions of the Act.

(g) A Director who was removed from office under this Article shall not be re-appointed as a Director by the Board of Directors.

(h) Nothing contained in this Article shall be taken:

i) as depriving a person removed hereunder of any compensation or damages payable to him in respect of the termination of his appointment as Director as per the terms of contract or terms of his appointment as director, or of any other appointment terminating with that as director; or

ii) As derogating from any power to remove a Director under the provisions of the Act.

### **Disclosure of Director's Interest**

145 (1) Every Director of the Company who is in any way, whether directly or indirectly concerned or interested in a contract or arrangement, or proposed contract or arrangement, entered into or to be entered into, by or on behalf of the Company, shall disclose the nature of his concern or interest at a meeting of the Board of Directors, in the manner provided in Section 184 of the Companies Act, 2013.

(2) Every director of the Company who is in any way, whether directly or indirectly, concerned or interested in a contract or arrangement or proposed contract or arrangement entered into or to be entered into—

(i) with a body corporate in which such Director or such Director in association with any other Director, holds more than two per cent of the shareholding of that body corporate, or is a promoter, manager, chief executive officer of that body corporate; or

(ii) with a firm or other entity in which, such Director is a partner, owner or member, as the case may be, shall disclose the nature of his concern or interest at the meeting of the Board in which the contract or arrangement is discussed and shall not participate in such meeting: Provided that where any Director who is not so concerned or interested at the time of entering into such contract or arrangement, he shall, if he becomes concerned or interested after the contract or arrangement is entered into, disclose his concern or interest forthwith when he becomes concerned or interested or at the first meeting of the Board held after he becomes so concerned or interested.

(3) Nothing in this Article shall –

(a) be taken to prejudice the operation of any rule of law restricting a Director of the Company from having any concern or interest in any contract or arrangement with the Company;

(b) apply to any contract or arrangement entered into or to be entered into between the Company and any other company where any one or more of the Directors of the Company together holds or hold not more than two percent of the paid up share capital in other company.

### **Board resolution necessary for certain contracts**

146 (1) Except with the consent of the Board of Directors of the Company (or the Audit Committee) given by a resolution at a meeting of the Board and subject to such conditions as may be prescribed by the Company, a Company shall not enter into any contract or arrangement with a related party with respect to,

(a) sale, purchase or supply of any goods or materials;

(b) selling or otherwise disposing of, or buying, property of any kind;

(c) leasing of property of any kind;

(d) availing or rendering of any services;

(e) appointment of any agent for purchase or sale of goods, materials, services or property;

(f) such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company; and

(g) Underwriting the subscription of any securities or derivatives thereof, of the company: Notwithstanding the provisions of this sub clause (1) of this Article, where prescribed, the Company shall enter into such contracts and / or arrangements only with the prior approval of the members of the Company by a special resolution. However, no member of the Company shall vote on such special resolution, to approve any contract or arrangement which may be entered into by the company, if such member is a related party: It is clarified that this sub-clause shall not apply to any transactions entered into by the Company in its ordinary course of business other than transactions which are not on an arm's length basis.

(2) Every contract or arrangement entered into under sub-clause (1) shall be referred to in the Board's report to the shareholders along with the justification for entering into such contract or arrangement.

Disclosure to the members of Director's interest in contract in appointing manager.

147. If the Company –

(a) enters into a contract for the appointment of a manager or a Managing Director of the Company in which contract any Director of the Company is in any way directly or indirectly concerned or interested, or (b) varies any such contract already in existence and in which a Director is concerned or interested as aforesaid, the provisions of Section 302 of the Companies Act, 1956 or other applicable provisions of law shall be complied with.

#### **Loans to Directors etc.**

148. Subject to the provisions of Section 185 of the Companies Act, 2013, the Company shall not, directly or indirectly make any loan to any of its directors or to any other person in whom the director is interested or give any guarantee or provide any security in connection with a loan taken by him or such other person.

#### **Loans etc. to Companies**

149. The Company shall observe the restrictions imposed on the Company in regard to making any loans, giving any guarantee or providing any security to the companies or bodies corporate under the same managements provided in Section 186 of the Companies Act, 2013.

#### **Interested Director not to participate or to vote In Board's proceedings.**

150. No Director of the Company shall as a Director take any part in the discussion of or vote on any contract or arrangement entered into, or to be entered into, by or on behalf of the Company, if he is in any way whether directly or indirectly concerned or interested in such contract or arrangement nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote and if he does vote, it shall be void;

### **ROTATION & APPOINTMENT OF DIRECTORS**

#### **Directors may be Directors of Companies promoted by the Company**

151. A Director may be or become a Director of any 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 Section 197 or Section 188 of the Companies Act, 2013 (and the rules made thereunder) may be applicable.

#### **Rotation of Directors**

152. Not less than two-thirds of the total number of Directors shall (a) be persons whose period of the office is liable to determination by retirement of Directors by rotation and (b) save as otherwise expressly provided in the Articles be appointed by the Company in General Meeting.

#### **Retirement of Directors**

153. Subject to the provisions of Section 284(5) of the Companies Act, 1956 or Section 169(5) and 169 (6) of the Companies Act, 2013, 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 Debenture Directors, Corporation Directors, Special Directors, or Managing Directors, if any, shall not be subject to retirement under this Article and shall not be taken into account in determining the number of Directors to retire by rotation. In these Articles a “Retiring Director” means a Director retiring by rotation.

#### **Ascertainment of Directors retiring by rotation and filling of vacancies**

154. The Directors who retire by rotation under Article 156 at every annual general meeting shall be those who have been longest in office since their last appointment, but as between those who become Directors on the same day, those who are to retire shall, in default of and subject to any agreement amongst themselves, be determined by lot.

**Eligibility for re-election**

155. A retiring Director shall be eligible for the re-appointment.

**Company to fill Vacancies**

156. Subject to the provisions of the Act, the Company at the annual general meeting at which a Director retires in manner aforesaid may fill up the vacancy by appointing the retiring Director or some other person thereto.

**Provisions in default of appointment**

157. (a) If the place of retiring Director is not so filled up and 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.

(b) 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 meeting unless –

- i) at the meeting or the previous meeting a resolution for the reappointment of such Director has been put to the meeting and lost;
- ii) the retiring Director has, by a notice in writing addressed to the Company or its Board of Directors, expressed his unwillingness to be so re-appointed;
- iii) he is not qualified or is disqualified for appointment; or
- iv) a resolution, whether special or ordinary, is required for his appointment or re-appointment in virtue of any provisions of the Act,

**Company may increase or reduce the number of Directors or remove any Director**

158. Subject to the provisions of Sections 149 and 152 of the Companies Act, 2013, the Company may, by special resolution, from time to time, increase or reduce the number of Directors and may prescribe or alter qualifications.

**Appointment of Directors to be voted Individually**

159. (1) No motion at any general meeting of the Company shall be made for the appointment of two or more persons as Directors of the Company by a single resolution unless a resolution that it shall be so made has been first agreed to by the meeting without any vote being given against it.

(2) A resolution moved in contravention of clause (1) hereof shall be void, whether or not objection was taken at the time of its being so moved, provided where a resolution so moved is passed, no provision for the automatic re-appointment of retiring Director in default of another appointment as hereinbefore provided, shall apply.

(3) For the purpose of this Article, a motion for approving a person's appointment or for nominating a person for appointment shall be treated as a motion for his appointment.

**Notice of candidature for office of Director except in certain cases**

160. (1) Subject to the provisions of the Act, a person, not being a Retiring Director in terms of Section 152 of the Companies Act, 2013, shall be eligible for appointment to the office of Director at any general meeting if he or some other member intending to propose him has, at least fourteen days before the meeting, left at the registered office of the Company a special notice in writing under his hand signifying his candidature for the office of a Director or the intention of such member to propose him as a Director for office as the case may be along with the deposit of Rupees one lakh or such higher amount as may be prescribed which shall be refunded to such person or as the case may be, to the member, if the person succeeds in getting elected as a Director or secures more than 25% of the total valid votes cast either by way of show of hands or on a poll on such resolution.



(2) The Company shall inform its members of the candidature of the person for the office of Director in such manner as may be prescribed.

(3) 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 Companies Act, 2013, 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 his consent in writing to act as a Director if appointed.

(4) A person other than:

(a) A Director re-appointed after retirement by rotation or immediately on the expiry of his term of office, or

(b) An Additional or Alternate Director or a person filling a casual vacancy in the office of a Director under Section 161 of the Companies Act, 2013, appointed as a Director or re-appointed as an Additional or Alternate 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.

#### **Register of Directors etc. and notification of change to Registrar**

161. The Company shall keep at its registered office a Register containing the particulars of its Directors and key managerial personnel as specified in Section 170 of the Act, and shall send to the Registrar a Return containing the particulars specified in such Register, and shall otherwise comply with the provisions of the said Section in all respects.

#### **MANAGING DIRECTOR, WHOLE TIME DIRECTOR**

##### **Board may appoint Managing Director or Managing Director(s) or Whole Time Directors**

162. Subject to the provisions of Section 196, 203 and other applicable provision of the Companies Act, 2013, and these Articles, the Directors shall have power to appoint or re-appointment any person to be Managing Director, or Whole-Time Director for a term not exceeding five years at a time Provided that no re-appointment shall be made earlier than one year before the expiry of his term. Such a Managing Director can also act as chairperson of the Company.

##### **What provisions they will be subject to**

163. Subject to the provisions of the Act and these Articles, the Managing Director, or the Whole time Director shall not, while he continues to hold that office, be subject to retirement by rotation under Article 156 but he shall be subject to the provisions of any contract between him and the Company, be subject to the same provisions as the resignation and removal as the other Directors of the Company and he shall ipso facto and immediately cease to be a Managing Director or Whole Time Director if he ceases to hold the office of Director from any cause provided that if at any time the number of Directors (including Managing Director or Whole-time Directors) as are not subject to retirement by rotation shall exceed one-third of the total number of the Directors for the time being, then such of the Managing Director or Whole Time Director or two or more of them as the Directors may from time to time determine shall be liable to retirement by rotation in to the intent that the Directors so liable to retirement by rotation shall not exceed one-third of the total number of Directors for the time being.

##### **Remuneration of Managing or Whole Time Director(s)**

164. The remuneration of the Managing Director, Whole time Director, or Manager shall (subject to Sections 309 to 311 and other applicable provisions of the Act and of these Articles and of any contract between him and the Company) be fixed by the Directors from time to time and may be by way of fixed salary and/or perquisites or commission on profits of the Company or by participation in such profits, or by fee for such meeting of the Board or by and for all these modes or any other mode not expressly prohibited by the Act.

##### **Powers and duties of Managing and Whole Time Director(s)**

165. Subject to the superintendence, control and direction of the Board the day to day management of the Company shall be in the hands of the Managing Director(s) and/or Whole Time Director(s) appointed under Article 162 with power to the Board to distribute such day to day management functions among such Director(s) in any manner as deemed fit by the Board and subject to the provisions of the Act and these Articles the Board maybe resolution vest any

such Managing Director or Managing Directors or Whole time Director or Whole time Directors such of the power hereby vested in the Board generally as it thinks fit and such powers may be made exercisable for such period or periods and upon such conditions and subject to such restrictions as it may determine and they may subject to the provisions of the Act and these Articles confer such powers either collaterally with or to the exclusion of or in substitution for all or any of the powers of the Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers.

## **PROCEEDINGS OF THE BOARD OF DIRECTORS**

### **Meeting of Directors**

166. The Directors may meet together as a Board for the dispatch of business from time to time, and unless the Central Government by virtue of the proviso to Section 173 of the Companies Act, 2013 otherwise directs, shall so meet at least once in every one hundred and twenty days and at least four such meetings shall be held in every year. The Directors may adjourn and otherwise regulate their meetings as they think fit.

### **Notice of meetings**

167. (1) Notice of every meeting of the Board of Directors shall be given in writing to every Director for the time being in India, and at his usual address in India to every other Director.

### **When meeting to be Convened**

(2) A Director may at any time and the Secretary upon the request of Director made at any time shall convene meeting of the Board of Directors by giving a notice in writing to every Director for the time being in India and at his usual address in India to every other Director. Notice may be given by telex or telegram to any Director who is not in India.

### **Quorum**

168. (a) Subject to Section 174 of the Companies Act, 2013 the quorum for a meeting of the Board of Directors shall be one-third of its total strength (excluding Directors, if any, whose place 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 at any meeting exceeds or is equal to two-third 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 quorum during such time.

(b) For the purpose of clause (a) :

(i) "Total Strength" of the Board of Directors of the Company shall be determined in pursuance of the Act, after deducting there from number of the Directors, if any, whose places may be vacant at the time, and

(ii) "Interested Directors" means any Director whose presence cannot by reason of Article 153 hereof or another provisions in the Act count for the purpose of forming a quorum at a meeting of the Board, at the time of the discussion or vote on any matter.

### **Procedure when meeting adjourned for want of quorum**

169. If a meeting of the Board could not be held for want of quorum then the meeting shall automatically 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.

### **Chairman**

170. One of the Directors shall be the Chairman of the Board of Directors who shall preside at all meetings of the Board. If at any meeting the Chairman is not present at the time appointed for the meeting then the Directors present shall elect one of them as Chairman who shall preside.

### **Questions at Board meeting how decided**

171. Subject to provisions of Section 203, and 203 of the Companies Act, 2013, and other applicable provisions of law, questions arising at any meeting of the Board shall be decided by a majority of votes, and in case of inequality of votes, the Chairman shall have second or casting vote.

### **Powers of Board Meetings**

172. A meeting of the Board of Directors for the time being 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 these Articles or the regulations for the time being of the Company are vested in or are exercisable by the Board of Directors generally.

### **Directors may appoint committees**

173. The Board of Directors may, subject to the provisions of Section 179 of the Companies Act, 2013, and other relevant provisions of the Act and these Articles, appoint committees of the Board, and delegate any of the powers other than the powers to make calls and to issue debentures to such committee or committees and may from time to time revoke and discharge any such committee of the Board either wholly or in part and either as to the persons or purposes, but every committee of the Board so formed shall in exercise of the powers so delegated conform to any regulation that may from time to time be imposed on it by the Board of Directors. All acts done by any such Committee of the Board in conformity with such regulations and in fulfillment of the purpose of their appointment, but not otherwise, shall have the like force and effect, as if done by the Board.

### **Meeting of the Committee how to be Governed**

174. The meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable hereto and are not superseded by any regulations made by the Directors under the last preceding Article.

### **Circular Resolution**

175. (1) A resolution passed by circular without a meeting of the Board or a Committee of the Board appointed under Article 179 shall subject to the provisions of sub-clause (2) hereof and the Act be as valid and effectual as the resolution duly passed at meeting of, the Directors or of a Committee duly called and held.

(2) A resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, if the resolution, has been circulated in draft together with 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 in the quorum fixed for meeting of the Board or Committee as the case may be), and to all other Directors or members of the Committee at their usual addresses in India in accordance with the provisions of Section 175(1) of the Companies Act, 2013, and has been approved by such of the Directors or members of the Committee as are in India or by a majority of such of them as are entitled to vote on the resolution.

### **Acts of Board or Committee valid notwithstanding defect in appointment**

176. 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 one or more of such Directors or any person acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them is deemed to be terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed and was qualified to be a Director. Provided nothing in this Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.

## **POWERS OF THE BOARD**

### **Powers of Director**

177. Subject to the provisions of the Act, the business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as are not, by the Act, or any other Act or by the Memorandum or by the Articles of the Company required to be exercised by the Company in general meeting, subject nevertheless to these Articles to the provisions of the Act, or any other Act and to such regulations (being not

inconsistent with the aforesaid regulations or provisions), as may be prescribed by the Company in general meeting but no regulations made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made, PROVIDED that the Board shall not, except with the consent of the Company by a special resolution in a general meeting:

(a) sell, lease or otherwise dispose of the whole or substantially the whole, of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any such undertaking;

(b) remit, or give time for the payment of any debt due by a Director;

(c) invest otherwise than in trust securities the amount of compensation received by the Company as a result of a merger or amalgamation;

(d) borrow money where the money to be borrowed together with the money already borrowed by the Company will exceed the aggregate of the paid up capital of the Company and its free reserves, (apart from temporary loans obtained from the Company's bankers in the ordinary course of business); or,

(i) Provided that in respect of the matter referred to in sub-clause (d) such consent shall be obtained by a resolution of the Company which shall specify the total amount upto which monies may be borrowed by the Board under clause (d);

(ii) Provided further that the expression "temporary loans" in clause

(d) above shall mean loans repayable on demand or within six months from the date of the loan such as short term, cash credit arrangements, the discounting of bills and the issue of other short term loans of a reasonable character, but does not include loans raised for the purpose of financing expenditure of a capital nature.

#### **Certain powers to be exercised by the Board only at meetings**

178 Without derogating from the powers vested in the Board of Directors under these Articles, the Board shall exercise the following powers on behalf of the Company and they shall do so only by means of resolution passed at the meetings of the Board:

(a) to make calls on shareholders in respect of money unpaid on their shares;

(b) To authorize buy-back of securities under Section 68 of the Companies Act, 2013;

(c) to borrow monies;

(d) to invest the funds of the Company;

(e) to grant loans or give guarantee or provide security in respect of loans;

(f) to approve financial statement and the Board's report;

(g) to diversify the business of the Company;

(h) to approve amalgamation, merger or reconstruction;

(i) to take over a company or acquire a controlling or substantial stake in another company;

(j) Any other matter which may be prescribed under the Act and the rules made thereunder. Provided that the Board may by resolution passed at a meeting delegate to any Committee of Directors, Managing Director or any other principal officer of the Company, or in case of branch office of the Company principal officer of the branch office, the powers specified in (c), (d) and (e) of this sub-clause on such terms as it may specify.

### **Certain powers of the Board**

179. Without prejudice to the general powers conferred by the last preceding Article and so as not in any way to limit or restrict those powers and without prejudice to the last preceding Article it is hereby declared that the Directors shall have the following powers that is to say, power:

- (1) to pay the costs, charges and expenses preliminary and incidental to the formation, promotion, establishment and registration of the Company;
- (2) to pay and charge the capital account to the Company any commission or interest, lawfully payable there out under the provisions of Section 40 of the Companies Act, 2013 and other applicable provisions of law;
- (3) subject to Sections 179 and 188 of the Companies Act, 2013, to purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorized to acquire at or for price or consideration and generally on such terms and conditions as they may think fit and in any such purchase or other acquisition accept such title as the Directors may believe or may be advised to be reasonably satisfactory;
- (4) at their discretion and subject to the provisions of the Act to pay for any property, rights or privileges 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 or with such amount credited as paid up thereon as may be agreed upon, and any such bonds, debentures, mortgages or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged;
- (5) to secure the fulfillments of any contracts or engagement entered into by the Company mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit;
- (6) to accept from any member, so far as may be permissible by law, a surrender of his shares or any part thereof, on such terms and conditions as shall be agreed;
- (7) to appoint any person to accept and hold in trust for the Company any property belonging to the Company, or in which it is interested or for any other purposes and to execute and do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees;
- (8) to institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its officer, or otherwise concerning the affairs of the Company, and also to compound and allow time for payment on satisfaction of any debts due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian law or according to foreign law and either in India or abroad and observe and perform or challenge any award made therein;
- (9) to act on behalf of the Company in all matters relating to bankrupts and insolvents;
- (10) to make and give receipts, release and other discharge for monies payable to the Company and for the claims and demands of the Company;
- (11) subject to the provisions of Sections 179, 180 and 185, of the Companies Act, 2013 and other applicable provisions of law, to invest and deal with any monies of the Company not immediately required for the purpose thereof, upon such security (not being the shares of this Company) or without security and in such manner as they may think fit, and from time to time to vary or realize such investments. Save as provided in Section 187 of the Companies Act, 2013, all investments shall be made and held in the Company's own name;
- (12) to execute in the name and on behalf of the Company in favor 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 of the Company, such mortgage of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon;
- (13) to determine from time to time who shall be entitled to sign, on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts, and documents and to give the necessary authority for such purpose;

(14) to distribute by way of bonus amongst the staff of the Company a share or shares in the profits of the Company, and to give to any officer or other person employed by the Company a commission on the profits of any particular business or transaction; and to charge such bonus or commission as a part of working expenses of the Company;

(15) to provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and wives, widows, and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwellings or chawls or by grants of money, pensions, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing to provident and other associations, institutions, funds, or trusts and by providing or subscribing or contributing towards places of instructions and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit, and subject to the applicable provisions of law 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 of operation, or of public and general utility or otherwise;

(16) before recommending any dividend, subject to the provision of Section 123 of the Companies Act, 2013, to set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation fund, or to insurance fund, or as a reserve fund or sinking fund or any special fund to meet contingencies or to repay debentures or debenture stock or for special dividends or for equalizing dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purposes referred to in the preceding clause) as the Board may, in their absolute discretion think conducive to the interest of the Company, and subject to Section 179 of the Companies Act, 2013, to invest the several sums so set aside or so much thereof as required to be invested, upon such investments (other than share of this Company) as they may think fit, and from time to time to deal with and vary such investments and dispose of 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 interest of the Company notwithstanding that the matters 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 monies 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 division of a reserve fund to another reserve fund and/or division of a reserve fund and with full power to employ and assets constituting all or any of the above funds including the depreciation fund, in the business of the Company or in purchase or repayment of debentures or debenture stock and that 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, not exceeding nine percent per annum;

(17) to appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties, and to fix their salaries, or emoluments or remuneration, and to require security in such instances and to such amounts as they may think fit, and also from time to time to provide for the management and transaction of the affairs of the Company in specified locality in India or elsewhere in such manner as they think fit; and the provision contained in the next following sub-clauses shall be without prejudice to the general powers conferred by this sub clause; (18) to comply with the requirement of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with;

(19) from time to time and at any time to establish any Local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any person to be members of such Local Boards, and to fix their remuneration;

(20) subject to Section 179 of the Companies Act, 2013, from time to time and at any time to delegate to any persons so appointed any of the powers, authorities, and discretions for the time being vested in the Board, other than their power to make call or to make loans or borrow monies; and to authorize the member for the time being of any such Local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies, and such appointment or delegation may be made on such terms subject to such conditions as the Board may think fit, and the Board may at any time remove any persons appointed, and may annul or vary any such delegation;

(21) at any time and from time to time by Power of Attorney under the Seal of the Company, to appoint any person or persons to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorized by the Board the power to make loans and borrow



monies) and for such period and subject to such conditions as the Board may from time to time think fit, and any such appointments may (if the Board thinks fit) be made in favor of the members or any of the members of any local board established as aforesaid or in favor of any company, or the shareholders, Directors, nominees or managers of any company or firm or otherwise in favor of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such powers of Attorney may contain such powers for the protection or convenience of persons dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them;

(22) subject to the provisions of the Companies Act, 2013, for or in relation of 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 acts, deeds and things in the name and on behalf of the Company as they may consider expedient;

(23) From time to time to make, vary and repeal by-laws for the regulation of the business of the Company, its officers and servants.

## **MINUTES**

### **Minutes to be considered evidence**

180. (1) The Company shall cause minutes of all proceedings of general meetings of any class of shareholders or creditors, and every resolution passed by postal ballot or by electronic means and every meeting of the Board of Directors or of every committee of the Board to be prepared and signed in such manner as may be prescribed and kept within thirty days of the conclusion of every such meeting concerned, or passing of resolution by postal ballot in books kept for that purpose with their pages consecutively numbered.

(2) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.

(3) All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meetings.

(4) In the case of a meeting of the Board of Directors or of a Committee of the Board, the minutes shall also contain:

(a) the names of the Directors present at the meeting; and

(b) In the case of each resolution at the meeting the names of the Directors, if any, dissenting from or not concurring in the resolution.

(5) Nothing contained in clauses (1) to (4) hereof 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 interest of the Company.

The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in this sub-clause.

### **Minutes to be evidence of the proceedings**

181. The minutes of meeting kept in accordance with the provisions of Section 118 of the Companies Act, 2013 shall be evidence of the proceedings recorded therein,

### **Presumptions to be drawn where minutes duly drawn and signed**

182. Where the minutes of the proceedings of any general meeting of the Company or of any meeting of the Board or of a Committee of Directors have been kept in accordance with provisions of Section 118 of the Companies Act, 2013, until the contrary is proved, the meeting shall be deemed to have been duly called and held, all proceedings thereat to have been duly taken place and in particular all appointments of Directors or Liquidators made at the meeting shall be deemed to be valid.

### **Inspection of Minutes Books of General Meetings**

183. (1) The books containing the minutes or the proceedings of any general meeting of the Company shall be open to inspection of members without charge on such days and during such business hours as may consistently with the provisions of Section 119 of the Companies Act, 2013, be determined by the Company in general meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges.

(2) Any member of the Company shall be entitled to be furnished within seven working days after he has made a request in that behalf to the Company and on payment of such sums as may be prescribed, with a copy of any minutes referred to in sub-clause (1) hereof.

### **Publication of report of proceedings of General Meeting**

184. No document purporting to be a report of the proceedings of any general meeting of the Company shall be circulated or advertised at the expenses of the Company unless it includes the matters required by Section 118 of the Companies Act, 2013 to be contained in the minutes of the proceedings of such meetings.

## **MANAGEMENT**

### **Prohibition of simultaneous appointment of different categories of managerial personnel**

185. The Company shall not appoint or employ at the same time a Managing Director and a Manager.

186. Subject to the provisions of the Act –

(i) a chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief financial officer so appointed may be removed by means of a resolution of the Board;

(ii) a director may be appointed as chief executive officer, manager, Company secretary or chief financial officer.

187. A provision of the Act or these regulations requiring or authorizing a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by it being done by or to the same person acting both as director and as, or in place of, the chief executive officer, manager, company secretary or chief financial officer.

### **The Seal, its custody and use**

188. (1) The Board of Directors shall provide a Common Seal for the purpose 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, under such regulations as the Board may prescribe.

(2) the Seal shall not be affixed to any instrument except by the authority of the Board of Directors or a Committee of the Board previously given and in the presence of any two officials of the Company or such other person, the Board may appoint in that behalf who shall sign every instrument to which the Seal is affixed. Provided that the certificates of shares or debentures shall be sealed in the manner and in conformity with the provisions of the Companies (Share Capital and Debenture) Rules, 2014, and their statutory modifications for the time being in force.

## **DIVIDEND WARRANTS**

### **Division of profits**

189. (1) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company dividends may be declared and paid according to the amounts of the shares.

(2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

(3) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms provided that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

#### **The Company in general meeting may declare dividend**

190. The Company in general meeting may declare dividends, to be paid to members according to their respective rights and interest in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting.

#### **Dividend out of profits only**

191. (1) No dividend shall be declared or paid by the Company for any financial year except (a) out of the profits of the Company for that year arrived at after providing for depreciation in accordance with the provisions of sub-clause (2) or out of the profits of the Company for any previous financial year or years arrived at after providing for depreciation in accordance with those provisions and remaining undistributed or out of both; or (b) out of the monies provided by the Central Government or State government for the payment of dividend in pursuance or guarantee given by the Government.

(2) For the purposes of sub-clause (1), the depreciation shall be provided in accordance with the provisions of Schedule II of the Companies Act, 2013.

(3) No dividend shall be payable except in cash, provided that nothing in this Article shall be deemed to prohibit the capitalization of the profits or reserves of the Company for the purpose of issuing fully paid up bonus shares or paying up any amount for the time being unpaid on any shares held by members of the Company.

#### **Interim Dividend**

192. The Board of Directors may from time to time, pay to the members such interim dividends as in their judgment the position of the Company justifies.

#### **Debts may be deducted**

193. The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

#### **Capital paid up in advance at interest not to earn dividend**

194. Where the capital is paid in advance of the calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to dividend or to participate in profits.

#### **Dividends in proportion to amount paid up**

195. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date such share shall rank for dividend accordingly.

#### **Retention of dividends until in certain cases**

196. The Board of Directors may retain the dividend payable upon shares in respect of which any person under the Transmission Clause has become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a member, in respect of such shares or shall duly transfer the same.

#### **No member to receive dividend whilst liberated to the Company and the Company's right of reimbursement thereof**

197. No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of

such share or shares (or otherwise however either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend to any member all such sums of monies so due from him to the Company.

#### **Effect of transfer of Shares**

198. A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.

#### **Dividend to joint Holders**

199. Any one of several persons who are registered as joint holders of any share may give effectual receipt for all dividends or bonus and payments on account of dividends in respect of such share.

#### **Dividend how remitted**

200. The dividend payable in cash may be paid by cheque or warrant or in any electronic mode to the shareholder entitled to the payment of the dividend or in case of joint-holders to the registered address of that one of the joint-holders which is first named on the register of members or to such person and to such address as the holder or the joint-holder may in writing direct. The Company shall not be liable or responsible for any cheque or warrant or pay slip or receipt lost in transmission or for any dividend lost, to the member or person entitled thereto by forged endorsement of any cheque or warrant or forged signature on any pay slip or receipt or the fraudulent recovery of the dividend by any other means.

#### **Notice of dividend**

201. Notice of the declaration of any dividend whether interim or otherwise shall be given to the registered holder of share in the manner herein provided.

#### **Dividend to be paid within forty-two days**

202. (1) The Company shall pay the dividend or send the warrant in respect thereof to the shareholder entitled to the payment of dividend, within forty two days from the date of the declaration unless :

- (a) where the dividend could not be paid by reason of the operation of any law;
- (b) where a shareholder has given directions regarding the payment of the dividend and those directions cannot be complied with;
- (c) where there is a dispute regarding the right to receive the dividend;
- (d) where the dividend has been lawfully adjusted by the company against any sum due to it from the shareholder, or
- (e) Where for any other reason, the failure to pay the dividend or to post the warrant within the period aforesaid was not due to any default on the part of the Company.

(2) (a) where the dividend has been declared but which has not been paid or claimed within thirty days from the date of the declaration to any shareholder entitled to the payment thereof, the Company shall within seven days from the date of expiry of the said period of thirty days, transfer the total amount of dividend which remains unpaid or unclaimed to a special account to be opened by the Company in that behalf in any Scheduled Bank to be called "Unpaid Dividend Account of **GIRIRAJ CIVIL DEVELOPERS LIMITED**"

(b) The Company shall, within a period of ninety days of making any transfer of an amount under sub clause(a) 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, if any, and also on any other website approved by the Central Government for this purpose, in such form, manner and other particulars as may be prescribed

(c) If any default is made in transferring the total amount referred to in sub-clause (1) or any part thereof to the Unpaid Dividend Account of the Company, it shall pay, from the date of such default, interest on so much of the amount as has not been transferred to the said account, at the rate of twelve per cent per annum and the interest accruing on such amount shall ensure to the benefit of the members of the company in proportion to the amount remaining unpaid to them.

(d) Any person claiming to be entitled to any money transferred under sub-clause (1) to the Unpaid Dividend Account of the Company may apply to the Company for payment of the money claimed.

(e) any money transferred to the Unpaid Dividend Account of the Company in pursuance of this Article which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the Company along with interest accrued, if any, thereon to the Investor Education and Protection Fund of the Central Government.

(f) the Company shall when making any transfer to the Investor Education and Protection Fund of the Central Government any unpaid or unclaimed dividend, furnish to such officer as the Central Government may appoint in this behalf a statement in the prescribed form seeing forth in respect of all sums included in such transfer, the nature of the sums, the names and last known addresses of the persons entitled to receive the sum, the amount to which each person is entitled and the nature of his claim thereto and such other particulars as may be prescribed.

(g) No unclaimed or unpaid dividend shall be forfeited by the Board of Directors until the claim becomes barred by law.

## **CAPITALISATION**

### **Capitalization**

203. (1) The Company in General Meeting may, upon the recommendation of the Board, resolve :

(a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of the Company's reserve accounts or to the credit of the Profit and Loss Account or otherwise available for distributions; and

(b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(2) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause

(3), either in or towards:

(i) paying up any amount for the time being unpaid on any shares held by such members respectively;

(ii) paying up in full unissued shares of the Company to be allocated and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or

(iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii);

(iv) a securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;

(v) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

### **Fractional Certificates**

204. (1) Whenever such a resolution as aforesaid shall have been passed, the Board shall:

(a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid shares, if any, and

(b) generally do all acts and things required to give effect thereto.

(2) The Board shall have full power :

(a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in the case of shares becoming distributable in fractions; and also

(b) to authorize any person to enter, on behalf of all the members entitled thereto, into an arrangement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalization, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalized to the amounts of any part of the amounts remaining unpaid on their existing shares.

(3) Any agreement made under such authority shall be effective and binding on all such members.

(4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificate as they think fit.

## **ACCOUNTS**

### **Books to be kept**

205 (1) The Company shall prepare and keep at its registered office proper books of account and other relevant books and papers and financial statement for every financial year in accordance with Section 128 of the Companies Act, 2013, as would give a true and fair view of the state of affairs of the Company including that of its branch office or offices, if any, and explain the transactions effected both at the registered office and its branches and such books shall be kept on accrual basis and according to the double entry system of accounting: Provided that all or any of the books of accounts aforesaid and other relevant papers may be kept at such other place in India as the Board of Directors may decide and when the Board of Directors so decide the Company shall within seven days of the decision file with the Registrar a notice in writing giving the full address of that other place. Provided further that the company may keep such books of account or other relevant papers in electronic mode in such manner as may be prescribed.

(2) Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with the provisions of sub-clause (1) if proper books of accounts relating to the transactions affected at the branch are kept at that office and proper summarized returns made up to date at intervals of not more than three months are sent by the branch office to the Company at its registered office or the other place referred to in sub-clause (1). The books of accounts and other books and paper maintained by the Company within India shall be open to inspection at the registered office of the Company or at such other place in India by any Director during business hours and in the case of financial information, if any, maintained outside the country, copies of such financial information shall be maintained and produced for inspection by any Director subject to such conditions as may be prescribed: Provided that the inspection in respect of any subsidiary of the Company shall be done only by the person authorized in this behalf by a resolution of the Board of Directors.

(3) The books of account of the Company relating to a period of not less than eight financial years immediately preceding a financial year, or where the Company had been in existence for a period less than eight years, in respect of all the preceding years together with the vouchers relevant to any entry in such books of account shall be kept in good order: Provided that where an investigation has been ordered in respect of the Company under Chapter XIV of the Companies Act, 2013, the Central Government may direct that the books of account may be kept for such longer period as it may deem fit.

### **Financial Statements**

206. (1) The Board of Directors shall in accordance with Section 129, 133 and 134 of the Companies Act, 2013 and the rules made there under, cause to be prepared and laid before each annual general meeting, financial statements for the financial year of the Company which shall be a date which shall not precede the day of the meeting by more than six months or such extended period as shall have been granted by the Registrar under the provisions of the Act.

(2). The financial statements of the Company shall give a true and fair view of the state of affairs of the Company and comply with the accounting standard notified under Section 133 of the Companies Act, 2013 and shall be in the form set out in Schedule III to the Companies Act, 2013. Provided that the items contained in such financial statements shall be in accordance with the accounting standards.



(3) In case the Company has one or more subsidiaries, it shall, in addition to financial statements provided under sub-clause (1), prepare a consolidated financial statement of the Company and of all the subsidiaries in the same form and manner as that of its own which shall also be laid before the annual general meeting of the company along with the laying of its financial statement under subsection (1): Provided that the Company shall also attach along with its financial statement, a separate statement containing the salient features of the financial statement of its subsidiary or subsidiaries in such form as may be prescribed: Provided further that the Central Government may provide for the consolidation of accounts of companies in such manner as may be prescribed. For the purposes of this sub-clause, the word “subsidiary” shall include associate company and joint venture.

## **AUDIT**

### **Account to be audited**

207. Once at least in every year the accounts of the Company shall be audited and the correctness of the financial statements ascertained by one or more Auditor or Auditors.

### **Appointment of Auditors**

208. (1) Auditors shall be appointed and their qualifications, rights and duties regulated in accordance with the provisions of Chapter X of the Companies Act, 2013 and the rules made thereunder.

(2) Subject to the provisions of Section 139 of the Companies Act, 2013, the Company shall at the first annual general meeting appoint an individual or a firm as an Auditor to hold office from conclusion of that meeting until the conclusion of its sixth annual general meeting and thereafter till the conclusion of every sixth meeting and the manner and procedure of selection of auditors by the members of the Company at such meeting shall be such as may be prescribed. Provided that the Company shall place the matter relating to such appointment for ratification by members at every annual general meeting; Provided further that before such appointment is made, the written consent of the auditor to such appointment, and a certificate from him or it that the appointment, if made, shall be in accordance with the conditions as may be prescribed, shall be obtained from the auditor; Provided also that the certificate shall also indicate whether the auditor satisfies the criteria provided inspection 141 of the Companies Act, 2013; Provided also that the Company shall inform the auditor concerned of his or its appointment, and also file notice of such appointment with the Registrar within fifteen days of the meeting in which the auditor disappointed. “Appointment” includes reappointment.

## **DOCUMENTS AND NOTICES**

### **Service of documents or notices on members by the Company**

209. (1) A document or notice may be served by the Company on any member thereof either personally or by sending it by registered post or by speed post or by courier service or by leaving it at his registered address or if he has no registered address in India, to the address if any, within India supplied by him to the Company for serving documents or notice on him or by means of such electronic or other mode as may be prescribed.

(2) A document or notice advertised in a newspaper circulating in the neighborhood of the registered office of the Company shall be deemed to be duly served on the day on which the advertisement appears, on every member of the Company who has no registered address in India and has not supplied to the Company an address within India for the giving of notices to him.

(3) A document or notice may be served by the Company on the joint holders of a share by serving it on the joint holder named first in the Register in respect of the share.

(4) A document or notice may be served by the Company on the person entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter, addressed to them by name or by title of representatives of the deceased, or assignees of the insolvent or by any like description, at the address, if any, in India supplied for the purpose by the person claiming to be so entitled, or until such an address has been so supplied, serving the document or notice in any manner in which it might have been served if the death or insolvency had not occurred.

(5) The signature to any document or notice to be given by the Company may be written or printed or lithographed.

### **To whom documents must be served or given**

210. Document or notice of every general meeting shall be served or given in the same manner hereinbefore authorized on or to (a) every member, (b) every person entitled to a share in consequence of the death or insolvency of a member and (c) the auditor or auditors for the time being of the Company, PROVIDED that when the notice of the meeting is given by advertising the same in newspaper circulating in the neighborhood of the office of the Company under Article 90 a statement of material facts referred to in Article 90 need not be annexed to the notice, as is required by that Article, but is shall merely be mentioned in the advertisement that the statement has been forwarded to the members of the Company.

#### **Members bound by documents or notices served on or given to previous holders**

211. Every person who by operation of law, transfer or other means whatsoever, has become entitled to any share shall be bound by every document or notice in respect of such share, which prior to his name and address being entered on the Register of Members, shall have been duly served on or give to the person from whom he derived his title to such share.

#### **Service of documents on Company**

212. A document may be served on the Company or an officer thereof by sending it to the Company or officer at the registered office of the Company by Registered Post or by speed post or by courier service or by leaving it at its registered office or by means of such electronic or other mode as may be prescribed. Provided that where securities are held with a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic or other mode.

#### **Service of documents by Company on the Registrar**

213. Save as provided in the Act or the rules made thereunder for filing of documents with the Registrar in electronic mode, a document may be served on the Registrar or any member by sending it to him at his office by poster by Registered Post or by speed post or by courier or delivering it to or leaving it for him at his office, or by such electronic or other mode as may be prescribed. Provided that a member may request for delivery of any document through a particular mode, for which he shall pay such fees as may be determined by the company in its annual general meeting. The term “courier” means a person or agency which delivers the document and provides proof of its delivery.

#### **Registers and documents to be maintained by the Company**

214. The Company shall keep and maintain Registers, Books and Documents as required by the Act or these Articles, including the following:

(1) Register of Investments made by the Company but not held in its own name, as required by Section 187(3) of the Companies Act, 2013, and shall keep it open for inspection by any member or debenture holder of the Company without charge.

(2) Register of Mortgages and Charges and copies of instrument creating any charge requiring registration according to Section 85 of the Companies Act, 2013, and shall keep them open for inspection by any creditor or member of the Company without fee and for inspection by any person on payment of a fee of rupee ten for each inspection.

(3) Register and Index of Members as required by Section 88 of the Companies Act, 2013, and shall keep the same open for inspection during business hours, at such reasonable time on every working day as the Board may decide by any member, debenture holder, other security holder or beneficial owner without payment of fee and by any other person on payment of a fee of rupees fifty for each inspection.

(4) Register and Index of Debenture Holders or Security Holders under Section 88 of the Companies Act, 2013, and keep it open for inspection during business hours, at such reasonable time on every working day as the Board may decide by any member, debenture holder, other security holder or beneficial owner without payment of fee and by any other person on payment of rupees fifty for each inspection.

(5) Foreign Register, if so thought fit, as required by Section 88 of the Companies Act, 2013, and it shall be open for inspection and may be closed and extracts may be taken there from and copies thereof as maybe required in the manner, mutatis mutandis, as is applicable to the Principal Register.

(6) Register of Contracts with related parties and companies and firms etc. in which Directors are interested as required by Section 189 of the Companies Act, 2013, and shall keep it open for inspection at the registered office of the Company during business hours by any member of the Company. The Company shall provide extracts from such register to a member of the Company on his request, within seven days from the date on which such request is made upon the payment of fee of ten rupees per page. (7) Register of Directors and Key Managerial Personnel etc., as required by Section 170 of the Companies Act, 2013 and shall keep it open for inspection during business hours and the members of the Company shall have a right to take extracts there from and copies thereof, on a request by the members, be provided to them free of cost within thirty days. Such register shall also be kept open for inspection at every annual general meeting of the Company and shall be made accessible to any person attending the meeting.

(8) Register of Loans, Guarantee, Security and Acquisition made by the Company as required by Section 186 (9) of the Companies Act, 2013. The extracts from such register may be furnished to any member of the Company on payment of fees of ten rupees for each page.

(9) Books recording minutes of all proceedings of general meeting and all proceedings at meetings of its Board of Directors or of Committee of the Board in accordance with the provisions of Section 118 of the Companies Act, 2013.

(10) Copies of Annual Returns prepared under Section 92 of the Companies Act, 2013, together with the copies of certificates and documents required to be annexed thereto. Provided that any member, debenture holder, security holder or beneficial owner or any other person may require a copy of any such register referred to sub-clause (3), (4) or (5), or the entries therein or the copies of annual returns referred to in sub-clause (10) above on payment of a fee of ten rupees for each page. Such copy or entries or return shall be supplied within seven days of deposit of such fee.

## **WINDING UP**

### **Distribution of assets**

215. If the Company shall be wound up, and the assets available for distribution among the members as such shall be insufficient to repay the whole of the paid up capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the members in the proportion to the capital paid up or which ought to have been paid up at the commencement of the winding up, on the shares held by them respectively, and if in a winding up the assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the members in proportion to the capital at the commencement of the winding up, or which ought to have been paid up on the shares held by them respectively. But this Article is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions.

### **Distribution in specie or kind**

216. (1) If the Company shall be wound up, whether voluntarily or otherwise, the liquidator may, with the sanction of a special resolution, divide amongst the contributories in specie or kind, 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 or any of them as a Liquidator, with such sanction shall think fit.

(2) If thought expedient any such division may subject to the provisions of the Act be otherwise than in accordance with the legal rights of the contributories (except where unalterably fixed) by the Memorandum of Association and in particular any class may be given preferential or special rights or may be excluded altogether or in part but in case any division otherwise than in accordance with the legal rights of the contributories shall be determined upon, any contributory who would be prejudiced thereby shall have a right to dissent and ancillary rights as if such determination were a special resolution passed pursuant to Section 319 of the Companies Act, 2013.

(3) In case any shares to be divided as aforesaid involve a liability to calls or otherwise any person entitled under such division to any of the said shares may within ten days after the passing of the special resolution by notice in writing direct the Liquidator to sell his proportion and pay him the net proceeds and the Liquidator shall if practicable act accordingly.

### **Right of shareholders in case of sales**

217. A special resolution sanctioning a sale to any other Company duly passed pursuant to Section 319 of the Companies Act, 2013 may subject to the provisions of the Act in like manner as aforesaid, determine that any shares or other consideration receivable by the Liquidator be distributed amongst the members otherwise than in accordance with

their existing rights and any such determination shall be binding upon all the members subject to the rights of dissent and consequential rights conferred by the said sanction.

## **INDEMNITY**

### **Directors' and others' rights to indemnity**

218. Subject to the provisions of Section 197 of the Companies Act, 2013, every Director, or Officer, or servant of the Company or any person (whether an officer of the Company or not) employed by the Company as auditor, shall be indemnified by the Company against and it shall be the duty of the Directors out of the funds of the Company to pay all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in anyway in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act, neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions against all liabilities incurred by him as such Director, Officer or Auditor or other Officer of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favor or in which he is acquitted or in connection with any application under Section 463 of the Companies Act, 2013 in which relief is granted to him by the Court.

### **Director, Officer not responsible for acts of others**

219. Subject to the provisions of Section 197 of the Companies Act, 2013, no Director, Auditor or other Officer of the Company shall be liable for the acts, receipts, neglects, or defaults of any other Director or Officer or for joining in any receipt or other act for conformity or for any loss or expenses happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for insufficiency or deficiency of any of any security in or upon which any of the monies of the Company shall be invested, or for any loss or damages arising from insolvency or tortuous act of any person, firm or company to or with whom any monies, securities or effects shall be entrusted or deposited or any loss occasioned by any error of judgment, omission, default or oversight on his part or for any other loss, damage, or misfortune whatever which shall happen in relation to the execution of the duties of his office or in relation thereto unless the same shall happen through his own dishonesty.

## **SECRECY CLAUSE**

### **Secrecy Clause**

220. 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 Director, before entering upon his duties, sign a declaration pledging himself to observe strict secrecy and confidentiality in respect of all transactions and affairs of the Company 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 to do so 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, in these presents contained.

### **No member to enter the premises of the Company without permission**

221. No member or other person (not being a Director) shall be entitled to visit or inspect any property or premises of the Company without the permission of the Directors or Managing Director or to require discovery of or any information respecting any detail of the Company's trading, or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process, or any other matter which may relate to the conduct of the business of the Company and which in the opinion of the Director; it would be inexpedient in the interest of the Company to disclose.

## SECTION XI – OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by the Company (not being contracts entered into in the ordinary course of business carried on by the Company or contracts entered into more than two years before the date of this Prospectus) which are or may be deemed material have been attached to the copy of the Prospectus delivered to the RoC for registration. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from Application/Offer Opening Date until the Application/Offer Closing Date.

#### **A. Material Contracts**

1. Memorandum of Understanding dated February 21, 2018 between our Company, the Selling Shareholders and the Lead Manager and addendum dated March 09, 2018.
2. Memorandum of Understanding dated February 23, 2018 between our Company, the Selling Shareholders and the Registrar to the Offer.
3. Escrow Agreement March 01, 2018 between our Company, the Selling Shareholders, the Lead Manager, Banker to the Offer and the Registrar to the Offer.
4. Market Making Agreement dated February 21, 2018 between our Company, the Lead Manager and the Market Maker and addendum dated March 09, 2018.
5. Underwriting Agreement dated February 21, 2018 between our Company, the Selling Shareholder, the Lead Manager and the Market Maker and addendum dated March 09, 2018.
6. Share Escrow Agreement dated February 28, 2018 between the Selling Shareholders, our Company, the Lead Manager and the Escrow Agent.
7. Tripartite agreement between the NSDL, our Company and the Registrar dated March 07, 2018.
8. Tripartite agreement between the CDSL, our Company and the Registrar dated March 05, 2018.

#### **B. Material Documents**

1. Certified true copies of the Memorandum and Articles of Association of our Company, as amended from time to time.
2. Copy of Certificates of Incorporation of Giriraj Civil Developers Limited.
3. Resolution of the Board of Directors meeting dated January 23, 2018 authorizing the Offer.
4. Shareholders' resolution passed at the Extra-Ordinary General Meeting dated February 17, 2018 authorizing the Offer.
5. Statutory Auditor's report for Restated Financials dated February 22, 2018 included in this Prospectus.
6. The Statement of Tax Benefits dated February 22, 2018 from our Statutory Auditor.
7. Consent of our Directors, CFO, CS, the Selling Shareholders, Statutory Auditor, Banker to the Company, Banker to the Offer, Lead Manager, Legal Advisor to the Offer, Registrar to the Offer, Market Maker, Underwriters, Share Escrow Agent and secured lender NOC as referred to in their specific capacities.
8. Due Diligence Certificate(s) dated March 10, 2018 of the Lead Manager to be submitted to SEBI along with the filing of the Prospectus.

9. In-Principle Approval from NSE *vide* letter dated March 09, 2018 to use the name of NSE in this Offer Document for listing of Equity Shares on the EMERGE Platform of the NSE.

Any of the contracts or documents mentioned in this Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.



## DECLARATION

We, hereby declare that, all the relevant provisions of the Companies Act, 1956, Companies Act, 2013 (to the extent notified) and the guidelines issued by the Government of India or the regulations or guidelines issued by the Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in the Prospectus is contrary to the provisions of the Companies Act, 1956, Companies Act, 2013 (to the extent notified), the Securities and Exchange Board of India Act, 1992, each as amended or rules made there under or guidelines / regulations issued, as the case may be. We further certify that all the disclosures and statements made in the Prospectus are true and correct.

### SIGNED BY THE DIRECTORS OF OUR COMPANY:

Sd./-

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**Mr. Mahesh Shah**

Chairman and Managing Director

Sd./-

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**Mr. Krushang Shah**

Whole-time Director

Sd./-

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**Mrs. Mamta Shah**

Non-Executive Non-Independent Director

Sd./-

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**Mr. Francis Joseph Dcosta**

Non-Executive Independent Director

Sd./-

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**Mr. Perur Seshappa Prasad**

Non –Executive Independent Director

### SIGNED BY THE CHIEF FINANCIAL OFFICER

Sd./-

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**Mr. Devashis Mondal**

Chief Financial Officer

### SIGNED BY THE COMPANY SECRETARY AND COMPLIANCE OFFICER

Sd./-

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**Mrs. Manisha Soni**

Company Secretary

Date: March 10, 2018

Place: Mumbai

## **DECLARATION**

The undersigned Selling Shareholder hereby certifies that all statements and undertakings made in this Prospectus about or in relation to himself and the Equity Shares being offered by him in the Offer are true and correct, provided however, that the undersigned Selling Shareholder assumes no responsibility for any of the statements or undertakings made by the Company or any other Selling Shareholder or any expert or any other person(s) in this Prospectus.

## **SIGNED BY THE SELLING SHAREHOLDER**

Sd./-

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**Mr. Mahesh Shah**

### **DECLARATION**

The undersigned Selling Shareholder hereby certifies that all statements and undertakings made in this Prospectus about or in relation to himself and the Equity Shares being offered by her in the Offer are true and correct, provided however, that the undersigned Selling Shareholder assumes no responsibility for any of the statements or undertakings made by the Company or any other Selling Shareholder or any expert or any other person(s) in this Prospectus.

### **SIGNED BY THE SELLING SHAREHOLDER**

Sd./-

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**Mrs. Mamta Shah**

### **DECLARATION**

The undersigned Selling Shareholder hereby certifies that all statements and undertakings made in this Prospectus about or in relation to himself and the Equity Shares being offered by it in the Offer are true and correct, provided however, that the undersigned Selling Shareholder assumes no responsibility for any of the statements or undertakings made by the Company or any other Selling Shareholder or any expert or any other person(s) in this Prospectus.

### **SIGNED BY THE SELLING SHAREHOLDER**

Sd./-

\_\_\_\_\_  
**Mahesh Shah**  
**Karta, Mahesh K. Shah (HUF)**