



**ASHOKA METCAST LIMITED**  
**CIN: U70101GJ2009PLC057642**

Our Company was incorporated as “Tanya Estate Private Limited” on July 29, 2009 under the Companies Act, 1956 with the Registrar of Companies, Gujarat at Dadra and Nagar Haveli. The name of our Company was changed from “Tanya Estate Private Limited” to “Ashoka Metcast Private Limited” and a fresh certificate of incorporation was issued on September 13, 2017 by the Registrar of Companies, Gujarat at Dadra and Nagar Haveli. Further the status of our company was changed to a public limited company by a special resolution passed at a shareholders’ meeting on October 23, 2017. A fresh Certificate of Incorporation consequent upon conversion of company to public limited Company was issued on November 09, 2017 by the Registrar of Companies, Gujarat at Dadra and Nagar Haveli and consequently name of our Company was changed to “Ashoka Metcast Limited”. Our Company’s Corporate Identity Number is U70101GJ2009PLC057642. For further details, please see “History and Certain Corporate Matters” beginning on page no. 97 of this Draft Prospectus.

**Registered Office:** 7th Floor, Ashoka Chambers, Opposite HCG Hospital Mithkhali Six Roads, Mithakhali Ahmedabad- 380006, Gujarat, India.  
**Tel No.:** +91- 79- 2646 3226; **Fax No.:** +91- 79- 2646 3226; **Email:** [info@ashokametcast.in](mailto:info@ashokametcast.in); **Website:** [www.ashokametcast.in](http://www.ashokametcast.in)  
**Contact Person:** Ms. Bhumika Rajani, Company Secretary & Compliance Officer  
**Our Promoters:** Mr. Shalin Shah and Shalin A Shah (HUF)

**THE ISSUE**

**PUBLIC ISSUE OF 60,00,000 EQUITY SHARES OF ₹ 10/- EACH (“EQUITY SHARES”) OF ASHOKA METCAST LIMITED (“AML” OR THE “COMPANY”) FOR CASH AT A PRICE OF ₹ 20 PER SHARE (THE “ISSUE PRICE”), AGGREGATING TO ₹ 1,200 LAKHS (“THE ISSUE”), OF WHICH 3,12,000 EQUITY SHARES OF ₹10 EACH WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 56,88,000 EQUITY SHARES OF ₹ 10/- EACH IS HEREINAFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 56.02 % AND 53.10 %, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.**

**THE FACE VALUE OF THE EQUITY SHARE IS ₹ 10 AND THE ISSUE PRICE IS 2 TIMES OF THE FACE VALUE**

**THIS ISSUE 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 “Issue Related Information” beginning on page no. 214 of this Draft Prospectus.*

In terms of the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015, all potential investors shall participate in the Issue only through an Application Supported by Blocked Amount (“ASBA”) process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks (“SCSBs”) for the same. For details in this regard, specific attention is invited to the chapter titled “Issue Procedure” beginning on page no. 222 of this Draft Prospectus. A copy will be delivered for registration to the Registrar of Companies as required under Section 26 of the Companies Act, 2013.

**RISK IN RELATION TO THE FIRST ISSUE**

This being the first Public Issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹10 each and the Issue Price is 2 times the face value. The Issue Price (determined and justified by our Company in consultation with the Lead Manager) as stated under the chapter titled “Basis for Issue Price” beginning on page no. 65 of this Draft Prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISKS**

Investment in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Prospectus. **Specific attention of the investors is invited to the section titled “Risk Factors” beginning on page no. 11 of this Draft Prospectus.**

**COMPANY’S ABSOLUTE RESPONSIBILITY**

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

**LISTING**

The Equity Shares offered through this Draft Prospectus are proposed to be listed on SME Platform of BSE. In terms of the Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. Our Company has received an In Principal Approval letter dated [•] from BSE for using its name in this offer document for listing our shares on the SME Platform of BSE. For the purpose of this Issue, the designated Stock Exchange will be the BSE (“BSE”).

**LEAD MANAGER TO THE ISSUE**

**REGISTRAR TO THE ISSUE**



**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:** [ipo@afsl.co.in](mailto:ipo@afsl.co.in)  
**Website:** [www.afsl.co.in](http://www.afsl.co.in)  
**Investor Grievance Email:** [feedback@afsl.co.in](mailto:feedback@afsl.co.in)  
**Contact Person:** Mr. Vatsal Ganatra  
**SEBI Registration No.** INM000011344

**ACCURATE**

**ACCURATE SECURITIES & REGISTRY PRIVATE LIMITED**  
23, 3rd Floor, Sarthik Complex, Near Fun Republic  
Iscon Cross Road, Satellite  
Ahmedabad – 380055, Gujarat  
**Tel No.:** +91 – 79- 6943 0070 / 76  
**Email:** [www accuratesecuritiesrta@gmail.com](mailto:www accuratesecuritiesrta@gmail.com)  
**Website:** [www accuratesecurities.com](http://www accuratesecurities.com)  
**Investor Grievance Email:** [www accuratesecuritiesrta@gmail.com](mailto:www accuratesecuritiesrta@gmail.com)  
**Contact Person:** Mr. Viral Rampura  
**SEBI Registration No.:** INR000004173

**ISSUE OPENS ON**

**ISSUE CLOSES ON**

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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

#### General Terms

Term	Description
Ashoka Metcast Limited/ AML / The Company / Company / We / Us / Our Company	Unless the context otherwise indicates or implies refers to Ashoka Metcast Limited, a public limited company incorporated under the provisions of the Companies Act, 1956 and governed under the Companies Act, 2013 and having its registered office at 7th Floor, Ashoka Chambers Opp. HCG Hospital, Mithakhali Six Roads, Mithakhali, Ahmedabad, Gujarat-380006
Promoters	<ul style="list-style-type: none"> <li>• Mr. Shalin Shah and</li> <li>• Shalin Shah (HUF)</li> </ul>
Promoter Group	Such persons, entities and companies constituting our promoter group pursuant to Regulation 2(1)(zb) of the SEBI ICDR Regulations.
Subsidiary	Shree Ghantakarna Rolling Mills Private Limited For further details please see paragraph titled “ <i>Our Subsidiary</i> ” in the chapter titled “ <i>History and Certain Corporate Matters</i> ” beginning on page no. 97 of this Draft Prospectus.
Associate Company	Vivanza Biosciences Limited
Group Companies	<ul style="list-style-type: none"> <li>• Ashnisha Industries Limited;</li> <li>• Gujarat Natural Resources Limited;</li> <li>• Lesha Agro Foods Private Limited; and</li> <li>• Lesha Industries Limited;</li> </ul>

#### Company Related Terms

Term	Description
Articles / Articles of Association	Articles of Association of our Company as amended from time to time.
Auditor of the Company (Statutory Auditor)	M/s. Keyur Bavishi & Co., Chartered Accountants having their office at C-202, Indraprasth Tower, Near Drive-in Cinema, Ahmedabad- 380052, Gujarat, India
Audit Committee	The Audit Committee constituted by our Board of Directors on November 16, 2017 in accordance with the provisions of the Companies Act, 2013.
Bankers to the Company	YES Bank Limited
Board of Directors / Board	The Board of Directors of our Company as constituted from time to time, including any Committees thereof.
Chief Financial Officer	Ms. Pooja Shah
Company Secretary and Compliance Officer	Ms. Bhumika Rajani
Director(s)	Director(s) on the Board of our Company, as appointed from time to time ,
Equity Shares	Equity Shares of our Company of Face Value of M 10 each unless otherwise specified in the context thereof.
Equity Shareholders	Persons holding Equity Share of our Company
Individual Promoter	Mr. Shalin Shah
Key Management Personnel / Key Managerial Employees	Key managerial personnel of our Company in terms of the SEBI (ICDR) Regulations and the Companies Act, 2013, as described in the chapter titled “ <i>Our Management</i> ” beginning on page no. 104 of this Draft Prospectus.
Managing Director	Mr. Shalin Shah
MOA / Memorandum / Memorandum of Association	Memorandum of Association of our Company as amended from time to time.

<b>Term</b>	<b>Description</b>
Nomination and Remuneration Committee	The Nomination and Remuneration Committee constituted by our Board of Directors on November 16, 2017 in accordance with the provisions of the Companies Act, 2013.
Peer Review Auditor of the Company	M/s. GMCA & Co., Chartered Accountants, having their office at 101, Parishram, 5-B, Rashmi Society, Near L G Showroom, Mithakali Six Road, Navrangpura, Ahmedabad-380009, Gujarat
Registered Office	The Registered Office of our Company is located at 7th Floor, Ashoka Chambers Opp. HCG Hospital, Mithakhali Six Roads, Mithakhali, Ahmedabad, Gujarat-380006
Registrar of Companies/ RoC	Registrar of Companies located at RoC Bhawan, Opposite Rupal Park, Near Ankur Bus Stand, Naranpur, Ahmedabad 380 013, Gujarat, India
Stakeholder's Relationship Committee	The Stakeholder's Relationship Committee constituted by our Board of Directors on November 16, 2017 in accordance with the provisions of the Companies Act, 2013.
SME Exchange/ Stock Exchange	Unless the context requires otherwise, refers to, the SME Platform of BSE Limited

### Issue Related Terms

<b>Term</b>	<b>Description</b>
Abridged Prospectus	Abridged Prospectus to be issued under Regulation 58 of SEBI (ICDR) Regulations and appended to the Application Form
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application Form
Allocation/ Allot/ Allotted/ Allotment of Equity Shares	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Issue of Equity Shares 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.
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of our Company
Application Supported by Blocked Amount / ASBA	Means an application for subscribing to an Issue containing an authorization to block the application money in a bank account.
ASBA Account	Account maintained by an ASBA Applicant with a SCSB which will be blocked by such SCSB to the extent of the Application Amount of the ASBA Applicant
ASBA Applicant(s)	Any prospective investors in this Issue who apply for Equity Shares of our Company through the ASBA process in terms of this Draft Prospectus.
Banker(s) to the Company	Such banks which are disclosed as Bankers to our Company in the chapter titled " <i>General Information</i> " on page no. 42 of this Draft Prospectus
Banker(s) to the Issue	The banks which are Clearing Members and registered with SEBI as Banker to an Issue with whom the Escrow Agreement is entered and in this case being [•]
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Applicants under the Issue and which is described in the chapter titled " <i>Issue Procedure</i> " beginning on page no. 222 of this Draft Prospectus
Business Day	Monday to Friday (except public holidays)
Category I Foreign Portfolio Investor(s)	FPIs who are registered as Category I Foreign Portfolio Investors under the SEBI FPI Regulations.
Category II Foreign Portfolio Investor(s)	FPIs who are registered as Category II Foreign Portfolio Investors under the SEBI FPI Regulations.
Category III Foreign Portfolio Investor(s)	FPIs who are registered as Category III Foreign Portfolio Investors under the SEBI FPI Regulations
CAN / Confirmation of	The note or advice or intimation sent to each successful Applicant indicating the Equity

Term	Description
Allocation Note	Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange.
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Companies Act	Unless specified otherwise, this would imply to the provisions of the Companies Act, 2013 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	Companies Act, 1956, and the rules, regulations, modifications and clarifications made thereunder, as the context requires.
Companies Act, 2013	Companies Act, 2013 and the rules, regulations, modifications and clarifications thereunder.
Controlling Branches	Such Branches of the SCSBs which co-ordinate Applications by the Applicants with the Lead Manager, Registrar to the Issue 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.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Depositories	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996, as amended from time to time being CDSL and NSDL.
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 Issue Account with the Banker to the Issue.
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 Issue.
Designated Locations CDP	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 website of the Stock Exchange i.e. <a href="http://www.bseindia.com">www.bseindia.com</a> .
Designated Locations RTA	Such locations of the RTAs where Applicants can submit the Application Forms to RTAs.  The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the website of the Stock Exchange i.e. <a href="http://www.bseindia.com">www.bseindia.com</a>
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.
Designated Branches SCSB	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 Exchange Stock	SME Platform of BSE Limited
Draft Prospectus	The Draft Prospectus dated [•] issued in accordance with the SEBI ICDR Regulations
Eligible NRIs	An NRI from such a jurisdiction outside India where it is not unlawful to make an Issue or invitation under this Issue and in relation to whom the Prospectus constitutes an invitation to Application on the basis of the terms thereof.
Equity Shares	Equity shares of our Company of ₹ 10/- each
Escrow Agreement	Agreement dated [•] entered into amongst the Company, Lead Manager, the Registrar and the Banker to the Issue to receive monies from the Applicants through the SCSBs Bank Account on the Designated Date in the Public Issue Account
Foreign Portfolio	Foreign Portfolio Investor as defined under the SEBI (Foreign Portfolio Investors)

Term	Description
Investor / FPIs	Regulations, 2014
Issue	The issue of 60,00,000 Equity Shares by our Company of ₹ 10 each aggregating to ₹1,200 lakhs to be issued by our Company for subscription pursuant to the terms of this Draft Prospectus
Issue Proceeds	Gross proceeds to be raised through the Fresh Issue. For further details, please see “ <i>Objects of the Issue</i> ” on page no. 57 of this Draft Prospectus
Issue / Issue Size / Public Issue / IPO	This Initial Public Issue of 60,00,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 20 per equity share, aggregating to ₹ 1,200 lakhs by the Company
Issue Closing date	The date on which the Issue closes for subscription being [•]
Issue Opening date	The date on which the Issue opens for subscription being [•]
Issue Price	The price at which the Equity Shares are being issued by our Company under this Prospectus being ₹ 20 per share.
LM / Lead Manager	Lead Manager to the Issue, in this case being Aryaman Financial Services Limited.
Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and the SME Platform of BSE Limited
Market Making Agreement	The Agreement among the Market Maker, the Lead Manager and our Company dated November 25, 2017
Market Maker	Market Maker appointed by our Company from time to time, in this case being Aryaman Capital Markets Limited, who has agreed to receive or deliver the specified securities in the market making process.
Market Maker Reservation Portion	The Reserved portion of 3,12,000 Equity shares of ₹ 10 each at an Issue Price of ₹ 20 per Equity Share aggregating to ₹ 62.40 lakhs for Designated Market Maker in the Public Issue of our Company.
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)
Net Issue	The Net Issue of 56,88,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 20 per equity share aggregating to ₹ 1,137.60 lakhs by our Company
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
Non-Resident Indian/ NRI	A person resident outside India, who is a citizen of India or a Person of Indian Origin as defined under FEMA Regulations as amended
Overseas Corporate Body / OCB	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000. <b>OCBs are not allowed to invest in this Issue.</b>
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	This Prospectus, to be filed with the RoC containing, <i>inter alia</i> , the Issue opening and closing dates and other information.
Public Issue Account	Account opened with Bankers to the Issue for the purpose of transfer of monies from the SCSBs from the bank accounts of the ASBA Applicants 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,



Term	Description
	state industrial development corporations, insurance companies registered with the IRDA, provident funds and pension funds with a minimum corpus of M 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/ Registrar to the Issue	Registrar to the Issue being Accurate Securities & Registry Private Limited
Reserved Category / Categories	Categories of persons eligible for making application/Bidding under reservation portion
Reservation Portion	The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI ICDR Regulations, 2009
Revision Form	The form used by the Applicants to modify the quantity of Equity Shares in any of their Application Forms or any previous Revision Form(s)
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
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI Listing Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including instructions and clarifications issued by SEBI from time to time
SEBI (PFUTP) Regulations / PFUTP Regulations	SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003
SEBI Regulation/ SEBI (ICDR) Regulations	The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended, including instructions and clarifications issued by SEBI from time to time
SEBI SAST / SEBI (SAST) Regulations / SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time
SEBI (Venture Capital) Regulations	Securities Exchange Board of India (Venture Capital) Regulations, 1996 as amended from time to time
Self-Certified Syndicate Bank(s) / SCSBs	A Bank registered with SEBI under the SEBI (Bankers to an Issue) 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>
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
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 and our Company dated November 25, 2017
U.S. Securities Act	U.S. Securities Act of 1933, as amended
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.
Working Day	All trading days of the Stock Exchange excluding Sundays and Bank holidays in Mumbai.

#### Technical / Industry related Terms

Term	Description
CAGR	Compound Annual Growth Rate
FDI	Foreign Direct Investment
FY	Financial Year
GDP	Gross Domestic Product
GSECL	Gujarat State Electricity Corporation Limited

Term	Description
GNRL	Gujarat Natural Resources Limited
GST	Goods and Services Tax
HT	High Tension
JV	Joint Venture
LAFPL	Lesha Agro Foods Private Limited
LIL	Lesha Industries Limited
LT	Low Tension
M&A	Mergers and Acquisitions
MS Bars	Mild Steel Bars
NRI	Non-Resident Indian
OTS	One Time Settlement
SGRM / SGRMPL	Shree Ghantakarna Rolling Mills Private Limited
TMT Bars	Thermo Mechanically Treated Bars
UGVCL	Uttar Gujarat Vij Company Limited

#### Conventional Terms / General Terms / Abbreviations

Term	Description
A/c	Account
ACS	Associate Company Secretary
AEs	Advanced Economies
AGM	Annual General Meeting
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Applications Supported by Blocked Amount
AY	Assessment Year
BSE	BSE Limited
CAD	Current Account Deficit
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	Company Identification Number
CIT	Commissioner of Income Tax
C.S.	Company Secretary
CSR	Corporate Social Responsibility
DIN	Director Identification Number
DP	Depository Participant
ECS	Electronic Clearing System
EOGM	Extraordinary General Meeting
EMDEs	Emerging Market and Developing Economies
EPS	Earnings Per Share
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
FY / Fiscal/Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
GDP	Gross Domestic Product
GST	Goods and Services Tax
GoI / Government	Government of India
HUF	Hindu Undivided Family
ICAI	Institute of Chartered Accountants of India



<b>Term</b>	<b>Description</b>
ICSI	Institute of Company Secretaries of India
I.T. Act	Income Tax Act, 1961, as amended from time to time
IPO	Initial Public Offering
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MD	Managing Director
MoF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
N.A.	Not Applicable
NAV	Net Asset Value
NRE Account	Non Resident External Account
NRIs	Non Resident Indians
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
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
ROE	Return on Equity
RONW	Return on Net Worth
Rs. or ₹	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	The Securities and Exchange Board of India
Sec.	Section
STT	Securities Transaction Tax
TIN	Taxpayers Identification Number
UK	United Kingdom
US/United States	United States of America
USD/ US\$/ \$	United States Dollar, the official currency of the Unites States of America

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

### Certain Conventions

All references to “India” contained in this Draft Prospectus are to the Republic of India. In this Draft 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 Draft Prospectus is derived from our audited financial statements prepared and restated for the period ended November 15, 2017 and for 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 Draft Prospectus. Our Fiscal Year commences on April 1 and ends on March 31 of the following year. In this Draft 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 Draft Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices, Indian GAAP, the Companies Act and the SEBI Regulations on the financial disclosures presented in this Draft 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. 11, 84 and 176 of this Draft Prospectus, respectively, and elsewhere in this Draft 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 Draft 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, please see “*Definitions and Abbreviations*” beginning on page no. 1 of this Draft Prospectus. In the Section titled “*Main Provisions of the Articles of Association of Our Company*” beginning on page no. 269 of this Draft 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 Draft 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 Draft Prospectus is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

## FORWARD-LOOKING STATEMENTS

All statements contained in this Draft Prospectus that are not statements of historical 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 Draft 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 steel market in India where 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:

- Changes in laws and regulations relating to the sectors/areas in which we operate;
- Increased competition in steel Industry.
- Our ability to successfully implement our growth strategy and expansion plans;
- Our failure to keep pace with rapid changes in technology;
- Our ability to meet our further capital expenditure requirements;
- Fluctuations in operating costs;
- Our ability to attract and retain qualified personnel;
- Conflict of Interest with affiliated companies, the promoter group and other related parties
- Changes in political and social conditions in India, the monetary and interest rate policies of India and other countries;
- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Our ability to manage risks that arise from above factors;
- Changes in government policies and regulatory actions that apply to or affect our business.
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The performance of the financial markets in India and globally;
- The occurrence of natural disasters or calamities;
- Our inability to maintain or enhance our brand recognition;
- Inability to adequately protect our trademarks;
- Changes in consumer demand;
- Failure to successfully upgrade our products and service portfolio, from time to time; and

For further discussions of factors that could cause our actual results to differ, please see “*Risk Factors*”, chapters titled “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page nos. 11, 84 and 176 respectively of this Draft 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 Draft Prospectus. Our Company, 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, 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 Draft Prospectus, including the risks described below, before making an investment in our Equity Shares. The risk factors set forth below do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. Any of the following risks, as well as the other risks and uncertainties discussed in this Draft Prospectus, could have a material adverse effect on our business and could cause the trading price of our Equity Shares to decline and you may lose all or part of your investment. In addition, the risks set out in this Draft Prospectus are not exhaustive. Additional risks and uncertainties, whether known or unknown, may in the future have material adverse effect on our business, financial condition and results of operations, or which we currently deem immaterial, may arise or become material in the future. To obtain a complete understanding of our Company, prospective investors should read this section in conjunction with the sections entitled “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations on page nos. 84 and 176 of this Draft Prospectus respectively as well as other financial and statistical information contained in this Draft Prospectus. Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other risks mentioned herein.*

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

### INTERNAL RISK FACTORS

- 1. Our Promoters, Directors and our Group Companies 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 Promoters, Directors and our Group Companies 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 Promoters, Directors and Group Companies as on the date of this Draft Prospectus along with the amount involved, to the extent quantifiable:-

Sr. No.	Nature of Case	No. of Outstanding cases	Amount in dispute/demanded to the extent quantifiable (in ₹)
<b>I.</b>	<b>Litigations against our Promoters</b>		
(a)	Criminal	2	N.A.
(b)	Others	Nil	N.A.
<b>II.</b>	<b>Litigations against our Directors</b>		
(a)	Criminal	10	N.A.
(b)	Others	Nil	N.A.
<b>III.</b>	<b>Litigations against our Group Companies</b>		
(a)	Criminal	Nil	N.A.
(b)	Others	5	11,93,512
<b>IV.</b>	<b>Litigations against our Subsidiary Company.</b>		
(a)	Criminal	Nil	N.A.
(b)	Others	3	44,92,233

*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 Draft Prospectus.*

There can be no assurance that these litigations will be decided in favour of our Promoter and Director and consequently it may divert the attention of our management and Promoter and waste our corporate resources and our Director and Promoter may incur significant expenses in such proceedings. If such claims are determined against our Director and Promoter, 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, Group Companies, our Subsidiary, our Promoters and Directors please refer the chapter titled “*Outstanding Litigations and Material Developments*” on page no. 184 of this Draft Prospectus.

**2. *Our Company and our Subsidiary 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 business operations.***

Our Company and our Subsidiary require certain 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 and our Subsidiary’s operations, thereby having a material adverse effect on our business, results of operations and financial condition.

Further, 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. Our Company and our Subsidiary requires the following statutory and regulatory registrations, licenses, permits and approvals for our business but the same have not been obtained by us, as on date of this Draft Prospectus such as Shops and Establishment Registration Certificate for our Registered Office, Certificate for Enrolment / Registration under Gujarat Professions Tax Act and factory license with respect to our Wholly Owned Subsidiary.

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 the 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 our business. If we fail to comply with all the regulations applicable to us or if the regulations governing our business or their manner of implementation change, we may incur increased costs, or be subject to penalties or may suffer a disruption in our business activities, any of which, could adversely affect our business or results of operations. For further details, please see “*Key Industry Regulations and Policies*” and “*Government and Other Statutory Approvals*” beginning on page nos. 93 and 198 respectively of this Draft Prospectus.

**3. *Trading of Shares in some of our Group Companies was suspended for a brief period of time due to procedural/penal reasons.***

Following table summarizes the past instances of suspension in trading of shares of our group companies:

<b>Name of the Company</b>	<b>Listed on</b>	<b>Reason for suspension</b>	<b>Suspended from</b>	<b>Date of revocation</b>	<b>Commencement of trading</b>
Lesha Industries Limited	BSE Limited	Procedural reasons pertaining to the on-going scheme of arrangement.	August 16, 2017	December 12, 2017	December 14, 2017
Gujarat Natural Resources Limited	BSE Limited	Penal reason for Non compliances with certain clauses of the Listing Agreement and non-payment of Listing fees.	September 10, 2001	February 13, 2007	February 13, 2007



Though the suspension of equity shares of the above mentioned Group Companies has been revoked by the Stock Exchange, there is no assurance that the instances like this would not happen again in future with our other listed Group Companies and that the same could affect our brand value. For further details please see “*Our Group Companies*” beginning on page 120 of this Draft Prospectus.

**4. *There has recently been a change in main objects of our Company and we have lack of material business track record.***

Our company was incorporated as “*Tanya Estates Pvt. Ltd.*” on July 29, 2009 under the Companies Act, 1956 with the Registrar of Companies, Gujarat at Dadra and Nagar Haveli. The company had in its earlier years began to develop real estate and land plotting vertical; however; due to unforeseen circumstances and changes in market dynamics the real estate business division faced delays in execution of its plans and eventually could not complete the proposed acquisitions and related plans. Hence the company was thereafter non-operative (from an operating income point of view) for since incorporation and has been over time looking to re-align its business model and financial allocations. Vide resolution dated July 20, 2017, our company has changed its main objects and the name was changed to “Ashoka Metcast Pvt. Ltd.” and the company received its fresh certificate of incorporation from ROC, Gujarat dated September 13, 2017. Thereafter the company vide resolution dated October 23, 2017 converted from a private limited company to a limited company and we received our fresh certificate of incorporation dated November 09, 2017 from RoC, Gujarat at Dadra & Nagar Haveli.

Our company is currently engaged in trading and manufacturing of structural steel products. The trading activities have been commenced in September 2017 itself and the manufacturing activities are not operative currently. We propose to infuse funds raised through the issue in our wholly owned subsidiary (wherein we own a steel manufacturing plant). Hence our business activities for which we are raising funds do not have any material track record. Our inability to identify key opportunities or risks in the business or be able to execute our plans will materially adversely affect our results of operations and financial conditions.

**5. *Our manufacturing unit (owned through our wholly owned subsidiary) which is proposed to be revamped and made operational from the net proceeds of the issue may face various other challenges apart from financing and hence the process of making it fully operational may get delayed or run into cost overrun issues.***

We have recently acquired 100% stake in Shree Ghantakarna Rolling Mills Pvt. Ltd. (making it its wholly owned subsidiary company). Our subsidiary company owns a rolling mill having aggregate installed capacity of 12,000 tons; however the same has been non-operational for 16 years due to internal financial constraints as well as market conditions. Post acquisition we have begun the process of revamping as well as expanding its production facilities and we intend to begin its production in April 2018 with an aggregate installed capacity of 18,000 tons per annum.

The amount of funds required to make this unit operational has been estimated by our management based on quotations and internal estimates and part of these funds are expected to be raised from this IPO. For details of the fund requirements for this particular initiative please see “Objects of the Issue” beginning on page 57 of this Draft Prospectus. However, apart from fund requirements the process of making this unit fully operational may be affected by various external factors including but not limited to:

- Our inability to acquire and install relevant machinery and equipments
- Our inability to pay the necessary dues to key infrastructure providers such as power, water etc. on time in order and complete the necessary formalities or requirements to ensure that these facilities are set up for use. (For details please see “Our Business” on page 84 of this Draft Prospectus).
- Our inability to re-ignite the local labour or develop new labour relations or hiring.
- Our inability to obtain key government approvals on time or at all.
- Our inability to procure raw materials for manufacturing of our key business products.

Our inability to execute the revamp / modernisation project and complete the process of making this plant operational on time could materially adversely affect our results of operations and financial conditions.

**6. Our historical financial statements would not be able to reflect our current and future business prospects and the same could affect our ability to raise funds in form of equity or debt.**

Our Company was incorporated as “Tanya Estates Pvt. Ltd.” on July 29, 2009 under the Companies Act, 1956 with the Registrar of Companies, Gujarat at Dadra and Nagar Haveli. The company had in its earlier years began to develop real estate and land plotting vertical; however; due to unforeseen circumstances and changes in market dynamics the real estate business division faced delays in execution of its plans and eventually could not complete the proposed acquisitions and related plans. Hence our company has recently began its steel trading activities in September 2017. Hence, our past financial statements do not reflect our current or proposed business and prospects. Further the company has over the last few years tried to scale back the real estate related outstanding transactions in its books and hence some of our earlier year figures may not be comparable with our future balance sheet situation. This we believe could hinder our fund raising plans both equity as well as debt and hence the same could materially adversely affect our results of operations and financial conditions.

**7. Our promoters/ promoter group have in the past faced action from SEBI. This track record could materially adversely affect our future business and goodwill.**

Following table summarises the past actions taken or violations of securities laws by our promoters/promoters group:

Sr. No.	Date of Action / Event	Particulars of the action / event	Current Status
1	SEBI Order dated October 10, 2003	GNRL and its directors Mr. Shalin A. Shah, Ms. Shivani A. Shah, Mr. Ashok C. Shah, Mr. Jaswant Ray Shah, Mr. Ramesh K. Gupta, Mr. J. S. Varshnay and Mr. Mahesh Parikh were directed to dissociate from the securities market for a period of 5 years for pending Investor grievances.	The SEBI has dropped the instant proceedings against Mr. Mahesh Parikh, Mr. Shalin A. Shah, Ms. Shivani A. Shah, Mr. Ashok C. Shah vide its order dated May 15, 2007.

We believe that the group has taken adequate measures to ensure such events or actions do not occur again however if in the future such actions are taken or even the historical track record of such actions could materially adversely affect our future business and goodwill.

**8. The interests of our Promoter or certain directors may conflict with our interests or with the best interests of our other shareholders. Any inappropriate resolution of such conflicts may adversely affect our business, results of operations and/ or the interests of our other shareholders.**

We are heavily dependent on our executive director and his expertise for our strategic as well as day to day operations. The Managing Director of our Company, Mr. Shalin Shah is involved in the management of our Group Companies and he is also a common director between our Company and our Group companies viz: Ashnisha Industries Limited, Gujarat Natural Resources Limited, Lesha Agro Foods Private Limited and Lesha Industries Limited. Further one of our group company – Lesha Industries Ltd. is involved in a similar line of business. The promoters have explained to us that over time they propose to ensure there are no conflicts of interest within these companies however there is no legal “non-compete” agreement or such methodology executed as on date and hence we face these conflict of interest.

In case of a conflict between us and or any other entity in which our Directors or our Promoter Group members are interested, our Promoters/Directors may favor such other companies over us. Further, there may be situations in which they are unable to allocate sufficient time to our Company or effectively participate in the management of our Company, which could have a material adverse effect on our business. If any such actual or perceived conflicts of interests are not resolved suitably, our business, results of operations and/or the interest of our other shareholders may be adversely affected. For further details, please see “Our Management” and “Our Promoters and Promoter Group” and “Annexure XXII-Related Party Transactions” under the chapter titled “Financial Statements” beginning on page nos. 104 116 and 139, respectively of this Prospectus.

9. *Our subsidiary company (which has been recently acquired by us) has in the past defaulted on financial liabilities and electricity related dues to UGVCL. This track record could materially adversely affect the WOS and its business operations in the future.*

Our Subsidiary Company, which has been recently acquired by us, has in the past defaulted on payment of electricity dues incurred by it at its factory premises. Our Subsidiary Company was under dispute with Uttar Gujrat Vij Company Ltd with regard to the same. The details of which is mentioned below:-

Sr. No.	Date of Action / Event	Particulars of the action / event	Current Status
1.	1992	Uttar Gujrat Vij Company Limited filed special civil suit No. 49 of 1992 for recovery of electricity charges incurred at the factory site.	As on the date of this Draft Prospectus SGRMPL is availed low-tension (LT) load of 13.33 KVA for carrying out modernization and overhauling of existing Plant and Machinery and for installation of new machinery at the factory site. Further, our Company made the stipulated payment as required under the Scheme and eventually electricity connection shall be granted with a High tension (HT) load.
2.	2002	Electricity connection was discontinued at the factory site.	
3.	2012	State of Gujarat <i>vide</i> notification dated March 29, 2012 had declared Amnesty Scheme for settlement of outstanding claims of consumers. At that time SGRMPL had applied for the Amnesty Scheme which was rejected by the UGVCL/Industries' Commissioner stating that the SGRMPL does not come under the said Scheme.	
4.	2017	SGRMPL again applied to the UGVCL/ Industries' Commissioner to re-consider it for eligibility under the Scheme.	

Our subsidiary company, has in the past defaulted on financial liabilities. The details of which is mentioned below:-

Sr. No.	Date of Action / Event	Particulars of the action / event	Current Status
1	1998-2001	SGRMPL had availed loan in different tranches from Charotar Nagrik Sahakari Bank Limited against rolling mill factory situated at Kadi.	As on date of this Draft Prospectus the outstanding loan availed from Charotar Nagrik Sahakari Bank Limited stands repaid in full along with interest.
2	2001	Charotar Nagrik Sahakari Bank Limited went into liquidation in the year 2001. The operations of the subsidiary were shut down due to market conditions and also due internal financial constraints and could not repay the loan of Charotar Sahakari Bank Limited at the time of liquidation of the Bank.	
3	2012	As per the Government's one time settlement (OTS) scheme, the outstanding loan of Charotar Nagrik Sahakari Bank Limited was repaid along with interest. No dues certificate of the bank was obtained in this reference.	

There is no assurance that this track record would materially adversely affect its business operations in the future. For details, please see "*Outstanding Litigations and Material Developments*" beginning on page 184 of this Draft Prospectus.

- 10. The company is yet to place orders for plant & machinery which is proposed to be acquired from the net proceeds of the issue through our wholly owned subsidiary. Any delay in placing orders, procurement of plant & machinery may delay our implementation schedule and may also lead to increase in price of these plant & machinery, further affecting in revenue of our WOS and our consolidated profitability.**

Although we have identified the type of plant and machinery required to be bought for revamping and modernization of our production facility in the wholly owned subsidiary company, we are yet to place the orders for the plant & machinery worth ₹ 450 lakhs as detailed in the “Objects of the Issue” beginning on page 57 of this Draft Prospectus. These are based on our estimates and on third-party quotations, which are subject to a number of variables, including possible cost overruns, changes in management’s view of desirability of current plans, change in supplier of equipments, among others, which may have an adverse effect on business and operations of our WOS. Further, we cannot assure that we would be able to procure these plant & machinery, or procure the same within budgeted costs and timelines. Delays in acquisition of the same could result in cost and time overrun in the implementation of the project, which would have a material adverse effect on business of our WOS, consolidated financial condition. For further details please refer to the chapter titled the “Objects of the Issue” beginning on page 57 of this Draft Prospectus.

- 11. Trade receivables form a substantial part of our current assets and net worth. Failure to manage our trade receivables could have an adverse effect on our net sales, profitability, cash flow and liquidity.**

We are in the business of trading of structural steel products and also manufacturing of structural steel products (through our subsidiary). Our Company’s business is working capital intensive and hence trade receivables would form a major part of our current assets and net worth. The results of operations of our business are and will be dependent on our ability to effectively manage our trade receivables.

To effectively manage our trade receivables, we must be able to accurately evaluate the credit worthiness of our customers and dealers and ensure that suitable terms and conditions are given to them in order to ensure our continued relationship with them. However, if our management fails to accurately evaluate the credit worthiness of our customers, it may lead to bad debts, delays in recoveries and / or write-offs which could lead to a liquidity crunch, thereby adversely affecting our business and results of operations. A liquidity crunch may also result in increased working capital borrowings and, consequently, higher finance cost which will adversely impact our profitability.

- 12. We depend on a limited number of customers for a significant portion of our revenues. The loss of a major customer or significant reduction in production and sales of, or demand for our products from, our major customers may adversely affect our business, financial condition, results of operations and prospects.**

We have begun our trading vertical in September 2017 itself and hence we have not yet developed a strong client base. In fact so far we have basically dealt with low liquidity players who are dealing with us due to availability liquidity and credit. Hence our top five customers form 100% of our sale for the period ended November 15, 2017, as restated. We will look to overtime develop our product portfolio and supply capabilities to attract better customers and suppliers as well as diversify our customer base.

Demand for our traded products is related to various factors such as easy availability of finance, demand of specific structural steel products and the quality of same supplied by us. Further, with the increase in the size of the construction industry, various new manufacturers and traders are providing other variants of steel products and we always run the risk of trading steel products that are no longer required in common steel industry. This may result in our customers opting for other steel suppliers. Any loss of client base, out of our existing clients, will impact our overall sales, resulting in a sharp decline in our revenues. Further, we face immense competition from other structural steel products suppliers and manufacturers, organised as well as unorganised, which may result in some of our customers reducing their orders to us. Any reduction in orders from our existing clients may result in a decline in our revenues.

While we are constantly striving to increase our customer base and reduce dependence on any particular customer, there is no assurance that we will be able to broaden our customer base in any future periods or that our business or results of operations will not be adversely affected by a reduction in demand or cessation of our relationship with any of our major customers.

**13. In the event there is any delay in the completion of the Issue, there would be a corresponding delay in the completion of the objects of this Issue which would in turn affect our revenues and results of operations.**

The funds that we receive would be utilized for the objects of the Issue as has been stated in the section “Objects of the Issue” on page no. 57 of the Draft Prospectus. The proposed schedule of implementation of the objects of the Issue 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 Issue this may affect operations of our WOS and our consolidated financials.

We have not identified any alternate source of raising the funds required for our ‘Objects of the Issue’. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance. Our Company has not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds can adversely affect our growth plan and profitability. The delay/shortfall in receiving these proceeds may require us to borrow the funds on unfavourable terms, both of which scenarios may affect return on our investment and consolidated profitability will have negative impact.

**14. Our company has in the past experienced negative cash flows.**

Our company has in the past experienced negative cash flows as summarised below:

Particulars	As at November 15, 2017	For the year ended March 31,	
		2017	2016
Cash flow from Operating Activities	(1617.29)	(769.22)	1817.56
Cash flow from Investing Activities	(400.00)	(96.34)	(250.00)
Cash flow from Financing Activities	2,022.19	865.63	(1567.87)

Our inability to ensure that we generate adequate cash flows for our business operations could materially adversely affect our results of operations and financial conditions.

**15. Our funding requirements and deployment of the issue proceeds are based on management estimates and have not been independently appraised by any bank or financial institution.**

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan, management estimates and have not been appraised by any bank, financial institution or any other external agency. Given the dynamic nature of our business, we may have to revise our business plan from time to time and consequently our funding requirements and deployment on account of variety of factors such as our financial condition, business and strategy, including external factors such as market conditions, competitive environment, costs of commodities and interest/ exchange rate fluctuations which may not be within the control of our management. The deployment of the funds towards the objects of the Issue is entirely at the discretion of the Board and our Board will monitor the utilisation of Net Proceeds through its Audit Committee. Our Company will disclose the utilisation of the Net Proceeds under a separate head along with details in its balance sheet until the Net Proceeds remain unutilised, clearly specifying the purpose for which the Net Proceeds have been utilised. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our operational and financial performance.

**16. Our company has not made any provision for the decline in value of its investments.**

Our company has made investment in equity shares of quoted and unquoted securities aggregating to ₹ 461.00 Lakhs and 400 Lakhs respectively as on November 15, 2017 standalone restated financial statements. Further we have investment in equity shares of quoted securities aggregating to ₹ 557.45 Lakhs as on November 15, 2017 consolidate restated financial statements. The market value of our quoted investments on a standalone and consolidated basis are ₹ 1066.93 lakhs and ₹ 1256.87 lakhs respectively as compared to its book value of ₹ 557.45 lakhs and ₹ 461 lakhs respectively as on November 15, 2017.



Further we are not able to correctly access the value of our unquoted investments as there is no traded market for such shares.

We have not made any provision for the decline in value of our investments as we intend to hold such investments for long tenure and we believe we would be able to monetise such investments at above our book values in the future.

Any reduction in value or our inability to monetise such investments on the future could materially adversely affect our results of operations and financial conditions.

**17. *We are involved in high volume-low margin business. Any disruption in our turnover or failure to regularly grow the same may have a material adverse effect on our business, results of operations and financial condition.***

Our inability to regularly grow our turnover and effectively execute our key business processes could lead to lower profitability and hence adversely affect our operating results, debt service capabilities and financial conditions. Due to the nature of the products we sell, we may not be able to charge higher margins on our products. Hence, our business model would be heavily reliant on our ability to effectively grow our turnover and manage our key processes including but not limited to raw material procurement, timely sales / order execution and continuous cost control of non-core activities.

Our growth strategy would be subject to and involves risks and difficulties, many of which are beyond our control and, accordingly, there can be no assurance that we will be able to implement our strategy or growth plans, or complete them within the timelines. Further, we operate in a dynamic industry, and on account of changes in market conditions, industry dynamics, technological improvements or changes and any other relevant factors, our growth strategy and plans may undergo changes or modifications, and such changes or modifications may be substantial, and may even include limiting or foregoing growth opportunities if the situation so demands. For further details regarding the discussions and explanations for our past results, please see “Management’s Discussions and Analysis of Financial Condition and Results of Operations” beginning on page no. 176 of this Prospectus.

**18. *Our company is substantially reliant on our Promoter Group for funding needs and mentoring. Our inability to continue to receive such support from our promoter group could materially affect our company’s operations.***

Our company is substantially reliant on our promoter group for funding needs and mentoring. Further Mr. Shalin Shah our promoter director is involved in the day to day operations. His vision and guidance including funding and networking capabilities are relied on by our company. Our inability to continue to receive such support from our Promoter group would materially affect our Company’s operations.

**19. *Our Company has availed unsecured loan from our Promoter which is repayable on demand. Any demand from the lender for repayment of such unsecured loan may affect our cash flow and financial condition.***

Our Company, as per the restated audited financial statement as on November 15, 2017 has availed total sum of 504.6 lakhs as unsecured loan which may be recalled at any time. Sudden recall may disrupt our operations and also may force us to opt for funding at higher interest rates, resulting in higher financial burden. Further, we will not be able to raise funds at short notice and thus result in shortage of working capital fund. For further details, please refer to the section “Unsecured Loans” under “Financial Statements” beginning on page no. 139 of this Draft Prospectus. Any demand for the repayment of such unsecured loan, may adversely affect our cash flow and financial condition.

**20. *We have not operated the manufacturing plant (owned through our WOS) and hence under-utilization of our capacities could affect our ability to fully absorb fixed costs and thus may adversely impact our financial performance.***

We have recently acquired 100% stake in Shree Ghantakarna Rolling Mills Pvt. Ltd. (making it its wholly owned subsidiary company). Our subsidiary company owns a rolling mill having aggregate installed capacity of 12,000 tons; however the same has been non-operational for 16 years due to internal financial constraints as well as market conditions. Post acquisition we have begun the process of revamping as well as expanding its production facilities and we intend to begin its production in April 2018 with an aggregate installed capacity of 18,000 tons per annum.



The proposed capacity utilisation of this plant is as explained below:

For The Financial Year	Particulars	Re-Rolled Products
2017-18	Installed Capacity	12000
	Utilized Capacity	N.A. <sup>(1)</sup>
	Utilized Capacity (%)	N.A.
2018-19	Installed Capacity	18000
	Utilized Capacity	14400
	Utilized Capacity (%)	80%
2019-20	Installed Capacity	18000
	Utilized Capacity	16200
	Utilized Capacity (%)	90%

<sup>(1)</sup> Since the plant has not been operational since few years and the process of getting it fully operationalised is scheduled to complete in April 2018 the proposed capacity utilisation for FY 2017-18 is NIL.

Further, while the process of modernisation and revamping of this facility is being undertaken; we also propose to expand these production capacities based on our estimates of market demand and profitability. In the event of non-materialization of our estimates and expected order flow for our products and/or failure of optimum utilization of our capacities, due to factors including adverse economic scenario, change in demand or for any other reason, our capacities may not be fully utilized thereby impairing our ability to fully absorb our fixed cost and may adversely impact our consolidated financial performance.

**21. We do not own our Registered Office which is being used by us currently.**

Our Registered Office premise which is situated at 7<sup>th</sup> Floor, Ashoka Chambers, Opp. HCG Hospital, Mithakhali Six Roads, Mithakhali, Ahmedabad, Gujarat - 380006, is taken on leasehold basis from one of our group company, Lesha Industries Limited. Upon the termination of the lease agreement, we are required to return the said premise to the lessor.

Further, the term of the lease agreement may or may not be renewed. In the event the lessor terminate or does not renew the lease on commercially acceptable terms, or at all, we shall be required to vacate the premises. We may be required to identify alternate premises and enter into fresh lease agreement. Such a situation could result in loss of business and may adversely affect our operations and profitability. For further details, please see paragraph titled "Properties" under the chapter titled "Our Business" beginning on page no. 84 of this Draft Prospectus

**22. We share our registered office with other group companies.**

We operate from our Registered Office situated at 7<sup>th</sup> Floor, Ashoka Chambers, Opp. HCG Hospital, Mithakhali Six Roads, Mithakhali, Ahmedabad, Gujarat - 380006 is owned by our group company Lesha Industries Limited. However; these office premises are also shared by our other group companies viz: Lesha Industries Limited, Lesha Agro Foods Private Limited and Ashnisha Industries Limited and our subsidiary. Any dispute with our group companies with regard to the Registered Office would materially affect our business operations.

**23. We do not have any long-term agreement or contract for the supply of our traded goods and raw materials and we are exposed to price and supply fluctuations.**

We would be having well established relations with our suppliers for procuring the traded goods from various companies for different types of steel products. However, these relationships are on an oral basis and no specific agreement / MoU have been entered into between our Company and our suppliers and we typically transact on an invoice basis for each order. These suppliers have accord us with ready supplies based on trust, service and the ready finance provided by us. In the absence of written agreements, our suppliers can withdraw their oral commitments from us at any time. There can be no assurance that there will not be a significant disruption in the supply of these traded goods from current sources, including our agencies, or, in the event of a disruption, that we would be able to locate alternative suppliers of the goods of comparable quality on terms acceptable to us, or at all. Identifying a suitable

supplier involves a process that requires us to become satisfied with their quality control, consistency, responsiveness and service, financial stability and other ethical practices.

Further, our subsidiary also does not have any long term contracts for the raw materials required for manufacture of structural steel products like TMT bars, angles, channels, MS Bars etc. etc and thus cannot assure that our raw material supply will not face disruption leading to either disruption in our subsidiary's manufacturing activity or a complete stopping of the same. If we are unable to maintain our relationship with our current raw material suppliers it may prove difficult to obtain the same from other players.

Any delay, interruption or increased cost in the supply of our traded goods or raw materials pertaining to our products arising from a lack of long-term contracts could have an adverse effect on our ability to meet customer demand for our products and result in lower revenue from operations both in the short and long term.

***24. Our Company has not entered into any long-term contracts with any of its customers and we typically operate on the basis of orders. Inability to maintain regular order flow would adversely impact our revenues and profitability.***

Our Promoter has had long standing business relationships with certain customers and has been supplying products to such customers, for several years. However, we have not entered into any specific contracts with these customers and we cater to them on an order-by-order basis. As a result, our customers might terminate their relationships with us without any notice and, without consequence, which would materially and adversely impact our business. Consequently, our revenue might be subject to variability because of fluctuations in demand for our products. Our Company's customers have no obligation to place order with us and may either cancel, reduce or delay orders

***25. Our inability to manage growth could disrupt our business and reduce profitability.***

A principal component of our strategy is to continuously grow by expanding the size and geographical scope of our businesses. This growth strategy will place significant demands on our management, financial and other resources. It will require us to continuously develop and improve our operational, financial and internal controls. Continuous expansion increases the challenges involved in financial management, recruitment, training and retaining high quality human resources, preserving our culture, values and entrepreneurial environment, and developing and improving our internal administrative infrastructure. Any inability on our part to manage such growth could disrupt our business prospects, impact our financial condition and adversely affect our results of operations.

***26. Our Company has not taken any insurance coverage to adequately protect us against certain operating risks and this may have an adverse effect on the results of our business.***

We do not have any insurance policies. Once our manufacturing plant modernization and revamping process is complete we shall be obtaining adequate insurance at that stage. Our insurance policies, however, may not provide adequate coverage in certain circumstances. There can however be no assurance that the terms of our insurance policies will be adequate to cover any damage or loss suffered by us or that such coverage will continue to be available on reasonable terms or will be available in sufficient amounts to cover one or more large claims, or that the insurer will not disclaim coverage as to any future claim. A successful assertion of one or more large claims against us that exceeds our available insurance coverage or changes in our insurance policies, including premium increases or the imposition of a larger deductible or co-insurance requirement, could adversely affect our business, prospects, financial condition and results of operations

***27. Our current revenues are derived from sales made only in the State of Gujarat in India. Our growth strategy to expand into new geographic areas poses risks. We may not be able to successfully manage some or all of such risks, which may have a material adverse effect on our revenues, profits and financial condition.***

Our operations have been geographically concentrated only in the State of Gujarat. Our business is therefore significantly dependent on the general economic condition and activity in the State of Gujarat in which we operate along with the Central, State and Local Government policies relating to steel industry. Although investment in the steel industry in the areas in which we operate has been encouraged, there can be no assurance that this will continue. We might expand geographically, and might not gain acceptance or be able to take advantage of any expansion opportunities outside our current markets. This might place us at a competitive disadvantage and limit our growth

opportunities. We might face additional risks if we undertake operations in other geographic areas in which we do not possess the same level of familiarity as competitors. If we undertake operations in different geographical locations than those currently is; we might be affected by various factors, including but not limited to:

- Adjusting our products to the new geographic area;
- Ascertaining the creditworthiness of the buyer and maintain credit terms with the same;
- Obtaining necessary Government and other approvals in time or at all;
- Failure to realize expected synergies and cost savings;
- Attracting potential customers in a market in which we do not have significant experience; and
- Cost of hiring new employees and absorbing increased costs.

**28. *We might not be successful in implementing our business strategies.***

The success of our business depends substantially on our ability to implement our business strategies effectively or at all. Even though we have successfully executed our business strategies in the past, there is no guarantee that we can implement the same on time and within the estimated budget going forward, or that we will be able to meet the expectations of our targeted customers. Changes in regulations applicable to us might also make it difficult to implement our business strategies. Failure to implement our business strategies would have a material adverse effect on our business and results of operations.

**29. *We sell our products in highly competitive markets and our inability to compete effectively might lead to lower market share or reduced operating margins, and adversely affect our results of operations.***

Gujarat is our primary market and we face competition in our business from local as well as nationwide suppliers and wholesalers of structural steel products like Round Bars, Flat Bars, TMT bars, angles, channels, MS Bars etc. The market for structural steel products is highly competitive with few organized players and localised smaller unorganised players. The competition in these markets is based primarily on demand and price. As a result, to remain competitive in our market, we must continuously strive to reduce our procurement, transportation and distribution costs, improve our operating efficiencies and secure our materials requirements. If we fail to do so, other suppliers and wholesalers or manufacturers of similar products might be able to sell their products at prices lower than our prices, which would have an adverse effect on our market share and results of operations

Further, we cannot assure you that our current or potential competitors will not offer products comparable or superior to our products. Failure to match our product quality and consistency accordingly might have an adverse effect on our operations and financial results.

**30. *Our business is heavily dependent on our relations with both suppliers and customers.***

As a small size trader or manufacturer of steel products like structural steel products like etc. TMT bars, Round Bars, Flat Bar etc. we would unlike our larger competitors not be in a position to take adequate LCs or guarantees from counter party within the dealing cycle. We would hence rely substantially on our relations with such players within the sector. Further our main business strategy is to buy goods in lesser or NIL credit terms and sell on credit for earning good margins and hence this strategy would involve high amount of risks on our sell side recoveries and the same would further heavily rely on a our relationship management with such players. Our sales and profitability would be adversely affected in case of any management inabilities or errors on part of our suppliers as well as our customers.

Any negative development involving our suppliers and their products or our ability to retain and add customer could adversely affect our business growth, profitability, results of operations and goodwill and we may not be in a position to alter or avoid such developments.

**31. *Orders placed by customers may be delayed, modified, cancelled or not fully paid for by our customers, which may have an adverse effect on our business, financial condition and results of operations.***

We may encounter problems in executing the orders in relation to our traded products, or executing it on a timely basis. Moreover, factors beyond our control or the control of our customers, including delays or failure to obtain necessary

permits, authorizations, permissions and other types of difficulties or obstructions, may result in the postponement of the delivery of products or cause its cancellation. Further, since we do not execute long term contracts with our customers, the order could be cancelled or there could be changes in scope and / or scheduled delivery of the products. Accordingly, it is difficult to predict with certainty if, when, and to what extent we may be able to deliver the orders placed. Failure to deliver products on time could lead to customers delaying or refusing to pay the amount, in part or full, which may adversely affect our business.


In addition, even where a delivery proceeds as scheduled, it is possible that the contracting parties may default or otherwise fail to pay amounts owed. While we have not yet experienced any material delay, reduction in scope, cancellation, execution difficulty, delay or default in payment with regard to the orders placed with us, or any material disputes with customers in respect of any of the foregoing, any such adverse event in the future could materially harm our cash flow position and income. Any delay, modification, cancellation of order by our large customers may have material adverse effect on our financial condition and results of operations.

**32. *Our Subsidiary's cost of production of TMT Bars, MS Bars, Angles, channels etc. is exposed to fluctuations in the prices of raw materials like Iron, M.S. Billets/ingots etc. as well as its availability.***

Our Subsidiary Company, Shree Ghantakarna Rolling Mills Pvt. Ltd. would be exposed to fluctuations in the prices of various raw materials like, M.S. Billets/ingots, as well as its availability, particularly as we typically do not enter into any long term supply agreements with our suppliers and all the above mentioned raw materials are bought by our Company from various suppliers. We may be unable to make adequate provisions for the price fluctuations and, consequently, any adverse fluctuations that we have not factored in or provided for may adversely affect the consolidated results of our operations and our consolidated financial conditions.

We also face the risks associated with compensating for or passing on such increase in our cost of production on account of such fluctuations in prices to our customers. Particularly, we face the risk of our competitors being able to sell the products at lower rates than ours due to their economies of scales, if we pass on the increase in the cost of production to our customers through a corresponding increase in the price of our products in order to maintain our historical margins.

**33. *Trademark of our logo is not registered. There is no assurance that this application shall result in us being granted registration in a timely manner. Failure to protect our intellectual property may adversely affect our reputation, goodwill and business operations.***

Our Corporate logo “” is not registered and we do not enjoy the statutory protections accorded to a registered trademark and are subject to the various risks arising out of the same, including but not limited to infringement or passing off our name and logo by a third party. In the event our logo is not registered in future, we would not enjoy the statutory protections accorded to a registered trademark and our ability to use our logo may be impaired.

**34. *We are dependent on our Key Management team for success. Any loss of the said Key Management Personnel would seriously impair our ability to continue to manage and expand our business efficiently.***

Our Company is depending significantly on the expertise, experience and continued efforts of our key managerial personnel. If one or more members of our Key Managerial Personnel are unable or unwilling to continue in his/her present position, it would be difficult to find a replacement, and our business might thereby be adversely affected. Our industry requires personnel with specific technical knowledge and experience for our trading and our subsidiary's manufacturing business. For e.g. our Promoter and MD, Mr. Shalin Shah has more than a decade of experience in the trading business of Steel Products. If he is unwilling to continue, or decides to work independently, we may not be able to implement our future strategies and growth plans.

Competition for Key Managerial Personnel in our industry is intense and it is possible that our Company might not be able to retain existing Key Managerial Personnel or might fail to attract/ retain new employees at equivalent positions in the future. As such, loss of Key Managerial Personnel would adversely affect our business, results of operations and

financial condition. For further details on the key managerial personnel of our Company, please refer to the chapter titled “Our Management” beginning on page no. 104 of this Draft Prospectus.

- 35. We are dependent on third party transportation providers for the delivery of our traded good and also for raw materials and other products at our subsidiary’s manufacturing plant. Accordingly, continuing increases in transportation costs or unavailability of transportation services for our products, as well the extent and reliability of Indian infrastructure might have an adverse effect on our business, financial condition, results of operations and prospects.**

We trade in structural steel products like TMT Bars, Round Bars, Flat bars manufactured by various companies and most of the goods are delivered to our customers by third party transportation providers. Also, most of our raw material and our finished products are transported to and from our subsidiary’s manufacturing unit in Kadi by third party transportation providers. Transportation strikes would have an adverse effect on our receipt of goods, raw materials and our ability to deliver our products to our customers. Non-availability of trucks could also adversely affect our receipt of goods, raw materials and the delivery of our products.

In addition, transportation costs in India have been steadily increasing over the past several years. While usually our supplier arranges direct transportation of the goods to our customer’s facility / godown, any increase in transportation costs may affect our future orders, our pricing model and the ability of our suppliers to offer the transportation at affordable rate or at all. Also, we might not always be able to pass on these costs to our customers. Continuing increases in transportation costs or unavailability of transportation services for our products might have an adverse effect on our business, financial condition, results of operations and prospects.

Further, India’s physical infrastructure is less developed than that of many developed nations, and problems with its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our normal business activity, including our supply of goods, raw materials and the delivery of our products to customers by third-party transportation providers. Any deterioration of India’s physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could interrupt our business operations, which could have a material adverse effect on our results of operations and financial condition.

- 36. Some of our Group Entities and associate company have incurred losses during the last three financial years.**

Some of our Group Companies have incurred losses during the last three financial years, details of which are as under:

(₹ in lakhs)

Name of the Company	March 31, 2017	March 31, 2016	March 31, 2015
Ashnisha Industries Limited	(1.35)	(0.09)	(0.19)
Gujarat Natural Resources Limited *	41.00	(34.00)	67.00
Lesha Agro Foods Private Limited	(0.06)	(0.17)	(0.12)
Lesha Industries Limited	(17.00)	(6.00)	(18.00)
Vivanza Biosciences Limited (Associate Company)	(16.00)	(6.00)	(5.00)

\* Audited figured pertains to Standalone Financials of GNRL. For details please see “Our Group companies” beginning on page no 120 of this Draft Prospectus.

- 37. Our operations might be adversely affected by strikes, work stoppages or increased wage demands by our or our contractors’ workforce or any other industrial unrest or dispute.**

While we have not experienced any industrial unrest or dispute at our subsidiary’s unit in the past, we cannot be certain that we will not suffer any disruption to our operations due to strikes, work stoppages or increased wage demands in the future. Further, if our work unionizes in the future, collective bargaining efforts by labour unions might divert our management’s attention and result in increased costs. We might be unable to negotiate acceptable collective wage settlement agreements with those workers who have chosen to be represented by unions, which might lead to union-initiated strikes or work stoppages. Any shortage of skilled and experienced workers caused by such industrial unrest or disputes might adversely affect our business, results of operations and financial condition.



Further, under Indian law, we might be held liable for wage payments or benefits and amenities made available to “daily wage” workers. Any requirement to discharge such payment obligations, benefits or amenities or to absorb a significant portion of the “daily wage” workers on our own rolls might adversely affect our business, results of operations and financial condition.

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

Some of our Directors (including our Promoters) are interested in our Company to the extent of their shareholding and dividend entitlement in our Company, in addition to normal remuneration or benefits and reimbursement of expenses. We cannot assure you that our Directors 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. For further details please see “Risk Factors”, “Business Overview” and “Our Management”, “Our Promoters and Promoter Group”.

- 39. *Non-compliance with and changes in, safety, health and environmental laws and other applicable regulations, might adversely affect our Company’s results of operations and its financial condition.***

We are subject to Indian laws and government regulations, including laws in relation to safety, health and environmental protection. These safety, health and environmental protection laws and regulations *inter alia* impose controls on air and water discharge, noise levels, storage handling, employee exposure to hazardous substances and other aspects of our Company’s operations and products. In addition, our products, including the process of manufacture, storage and distribution of such products, are subject to numerous laws and regulations in relation to quality, safety and health. For further details, please see “Key Industry Regulation and Policies” on page no. 93 of this Draft Prospectus. Failure to comply with any existing or future regulations applicable to us might result in levy of fines, commencement of judicial proceedings and/or third party claims, and might adversely affect our results of operations and financial condition.

Further, there can be no assurance that our Company will not be involved in future litigation or other proceedings or be held responsible in any litigation or proceedings including in relation to safety, health and environmental matters, the costs of which would be material. Any accidents involving hazardous substances might cause personal injury and loss of life, substantial damage to or destruction of property and equipment and would result in a suspension of operations. The loss or shutdown of operations over an extended period at any of our Company’s facilities would have a material adverse effect on our Company’s business and operations.

## **RISK FACTORS RELATED TO EQUITY SHARES**

- 40. *Any further issuance of Equity Shares by Our Company or sales of Equity Shares by any significant shareholders may adversely affect the trading price of the Equity Shares.***

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

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



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

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

Price could fluctuate significantly as a result of market volatility. A decrease in the market price of the Equity Shares could cause you to lose some or all of your investment.

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

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

**EXTERNAL RISK FACTORS**

**43. *The GoI has implemented a new national tax regime by imposing GST.***

The GoI has implemented a comprehensive national GST regime from July 01, 2017 that will combine taxes and levies by the Central and State Governments into a unified rate structure. GST is a dual levy with state GST and central GST. Central GST will replace the current central taxes and duties such as excise duty, service tax, counter vailing duty, special additional duty of customs, central charges and cesses. The state GST will replace local state taxes like VAT, CST, octroi and others including state cesses and charges.

Any future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable.

Our business being construction centric, most of the current central taxes and duties and local state taxes and duties are applicable to our business. We are in the process to understand the quantification of the impact of this development at this stage due to limited information available in the public domain. If we are taxed at a higher rate than the current tax rates, our financial condition and results of operations may be adversely affected.

Further, we may also be required to make changes in our internal process to adapt to the requirements of GST. We cannot assure you if we will be able to effectively carry out such changes. To ensure compliance with the requirements of the GST laws, we may also need to allocate additional resources, which may increase our regulatory compliance costs and divert management attention. Any increase in our compliance requirements or in our compliance costs may have an adverse effect on our business and results of operations.

**44. *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.

**45. *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. 93 of this Draft Prospectus. Our business and prospects could be materially adversely affected by changes in any of these regulations and policies, including the introduction of new laws, policies or regulations or changes in the interpretation or application of existing laws, policies and regulations. There can be no assurance that our Company will succeed in obtaining all requisite regulatory approvals in the future for our operations or that compliance issues will not be raised in respect of our operations, either of which could have a material adverse affect on our business, financial condition and results of operations.

**46. *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.

**47. *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.

**48. *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.

**49. *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

**50. *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.

- 51. *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 M 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.

- 52. *Our business and activities may be further regulated by the Competition Act, 2002 and any adverse application or interpretation of the Competition Act could materially and adversely affect our business, financial condition and results of operations.***

The Competition Act, 2002 was enacted for the purpose of preventing practices having an adverse effect on competition in India and has mandated the CCI to regulate such practices. Under the Competition Act, 2002, any arrangement, understanding or action, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition in India are void and may result in substantial penalties. Any agreement among competitors which directly or indirectly determines purchase or sale prices, directly or indirectly results in bid rigging or collusive bidding, limits or controls production, supply, markets, technical development, investment or the provision of services, or shares the market or source of production or provision of services in any manner, including by way of allocation of geographical area or types of goods or services or number of customers in the relevant market or any other similar way, is presumed to have an appreciable adverse effect on competition in the relevant market in India and shall be void. Further, the Competition Act, 2002 prohibits the abuse of dominant position by any enterprise. If it is proved that the contravention committed by a company took place with the consent or connivance or is attributable to any neglect on the part of, any director, manager, secretary or other officer of such company, that person shall be guilty

of the contravention and may be punished. The manner in which the Competition Act, 2002 and the CCI affect the business environment in India may also adversely affect our business, financial condition and results of operations.

**Prominent Notes:**

1. Investors are free to contact the Lead Manager for any clarification, complaint or information pertaining to the Issue. The Lead Manager and our Company shall make all information available to the public and investors at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever.
2. The Net Worth of our Company is ₹ 935.97 lakhs and the book value of each Equity Share was ₹ 19.87 as of November 15, 2017 as per our Consolidated Restated Financial Statements. The Net Worth of our Company is ₹ 932.41 lakhs and the book value of each Equity Share was ₹ 19.80 as per our Standalone Restated Financial Statements. For more information, please refer the Section titled “*Financial Information*” beginning on page no. 139 of this Draft Prospectus.
3. Public Issue of 60,00,000 Equity Shares for cash at price of ₹ 20 per share including a premium of ₹ 10 aggregating to ₹ 1,200 lakhs. The Issue will constitute 56.02% of the post-offer paid-up Equity Share capital of our Company.
4. The average cost of acquisition of Equity Shares by our Promoters as on date of this Prospectus is:

Promoter	Average cost (₹)
Mr. Shalin Shah	19.98
Shalin Shah (HUF)	20.00

5. Investors are advised to refer to the chapter titled “*Basis for Issue Price*” beginning on page no. 65 of this Draft Prospectus.
6. The details of transactions by our Company with our Group Companies or subsidiary during the last year are disclosed under “*Annexure XXIII - Related Party Transactions*” under section titled “*Financial Statements*” beginning on page no. 139 of this Draft 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 this Draft Prospectus.
8. Our Company was incorporated as “*Tanya Estate Private Limited*” on July 29, 2009 under the Companies Act, 1956 with the Registrar of Companies, Gujarat at Dadra and Nagar Haveli. The name of our Company was changed from “*Tanya Estate Private Limited*” to “*Ashoka Metcast Private Limited*” and a fresh certificate of incorporation was issued on September 13, 2017 by the Registrar of Companies, Gujarat at Dadra and Nagar Haveli. Further the status of our company was changed to a public limited company by a special resolution passed at a shareholders’ meeting on October 23, 2017. A fresh Certificate of Incorporation consequent upon conversion of company to public limited Company was issued on November 09, 2017 by the Registrar of Companies, Gujarat at Dadra and Nagar Haveli and consequently name of our Company was changed to “*Ashoka Metcast Limited*”. Our Company’s Corporate Identification Number is U70101GJ2009PLC057642.



## SECTION III: INTRODUCTION

### SUMMARY OF OUR INDUSTRY

*The information in this chapter has been extracted from the websites 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.*

#### **REBAR MARKET:**

##### **Market Size**

The rebar with major diameters between 8mm and 25mm finds application in buildings, bridges, highways etc. With an estimated demand of around 35 million tonnes for 2015-16, the market is currently dominated by secondary producers with an estimated share of 70 percent. The overall annual demand of steel rebar in India has jumped significantly from 22.04 million tonnes reported in 2012-13. While the secondary producers manufacture rebars through processing of imported steel scrap, the primary producers manufacture it by using iron ore as the raw material.

Thus, along with demand of secondary producers, primary producers also gain momentum in rebar consumption across all consumer sectors. India had produced over 30.2 MT of bars and rods in FY14. Out of which, around 8.5 million tonnes was contributed from primary manufacturers and about 21.5 million tonnes by secondary manufacturers. Indian re-bar industry production had increased by 2.3% in FY14 against FY13. As per an estimate, about 10 MT of additional capacity was planned by Re-bar industry across various regions of India. In this year, some of the secondary manufacturers brands have raised its totaled capacity by 0.64 million tonnes per annum. Chhattisgarh & Maharashtra are the two states that have been eyed as a centre for TMT production.

In these states, many additional capacities have been added at present. However, Kalika TMT and a secondary manufacturer Raipur Alloys & Steels are going to expand its capacities by 0.19 million tonnes per annum and 0.83 million tonnes per annum respectively in near future.

##### **Historical Background**

The dominance of cold twisted deformed steel bars (CTD bars) in India since the early 70's of the last century was mainly due to the fact that most civil engineers at that time did not bother to check the vital parameters like yield strength, Ultimate Tensile Strength (UTS), elongation etc. while using CTD bars in reinforced cement concrete (RCC). The industrially developed countries had stopped the use of such CTD Bars by the start of 1970's. Then came the era of Thermo Mechanically Tested (TMT) Bars, which are even now being used by some civil engineers as they believe that these bars are of the specified grade Fe-415 as per 1786/1985 and are superior to the CTD bars which were being used earlier.

However, these so-called TMT Bars available in the market were being used earlier. However, these so-called TMT Bars available in the market were often found on testing to have yield strength of 350-390 N/mm<sup>2</sup> only. The usage of Reinforced Cement Concrete (RCC) has become the default standards for construction of residential and commercial structures, flyovers, bridges, water retaining structures, industrial and power plants, etc. Rebar constitute about 15-25 percent of the total materials cost for civil construction.

The Rebar industry has been a main steel product among the Finished Steel product categories. In 2009, the rebar accounted for about 35 percent of the total steel production in the country. The construction and infrastructure boom in the country in the past decade contributed to the rapid growth in the industry. The rebar industry is characterized by both primary and secondary players operating in the market. Integrated Steel Producers (ISPs) like SAIL, Tata Steel, JSW, that produce from the pure iron ore account for about 30 percent of the total rebar market.



The remaining 70 percent is catered by about 300-400 producers. Some of the leading secondary producers include Tulsyan, SRMB, Sujana etc. Medium and small players have regional presence catering to the demand in a particular region.

### **Commoditizing Rebar Markets**

Increased competition in the Rebar industry has resulted in the market becoming commoditized. Industry players in the last five years have focused more on marketing and branding of the product. Tata Steel is the pioneer in this aspect as the company has successfully branded its products, thereby, sustaining its leadership. In 2009-10, Tata Steel was also accorded the first Super Brand for this segment. Tata steel achieved a production of 1.56 million tons of TMT rebar becoming the largest TMT rebar manufacturer.

Stiff competition and better market penetration led to the development of value added steel rebars in India. Increased awareness on corrosion-protected and earthquake-resistant rebars and the benefits they offer in terms of longer structural life and lower life cycle cost has prompted developers to include them in their projects. Increased competition in the rebar market has compelled leading producers of rebars to look for branding and product differentiation. The value-added products have been actively promoted by these producers to sustain their leadership in the rebar market.

In recent years, the numbers of coastal projects have increased considerably. Projects such as ports, coastal thermal power stations, coastal buildings for commercial use, desalination plants, etc. are being implemented along the vast coastline of the country (both eastern and western coasts in the country). All these have increased the demand of corrosion-protected rebars

Hence, Corrosion Resistant Steel (CRS) rebars have the lowest life cycle cost among the existing rebar products available in the market over a structural lifespan of 50 years. For stainless steel, the life span is claimed to be 120 years. The distinct advantages of CRS rebars include corrosion resistance and is improved while retaining the strength, toughness, ductility, and formability, thus increasing the structure lifespan, higher strength means lower tonnage requirement, thus reducing construction costs, CRS is not a coated material so it is unaffected by transport, handling or concrete pouring, so does not require any touch-up work. No extra precaution in handling and storage is required, better performance in the case of natural calamities like earthquake and fire and due to lower carbon equivalent, weldability is far superior compared to conventional rebars.

### **Fragmented Markets**

The Indian steel rebars market is highly fragmented and unorganized – more than 1,800 re-rollers (representing unorganized sector) are reported to be operating in India. Being volume driven business, rebar market is dominated by regional players due to high logistic expenses.

Eastern and western regions have the largest concentration of small re-rolling mills for steel rebars. The branded TMT bars have been introduced by most of the leading players (representing organized sector). The use of rebar grades and products has undergone remarkable changes in recent years. Though the IS: 1786 building codes specify only Fe-415 for reinforced concrete, its usage is declining as the market is shifting to higher grades. The construction industry has started adopting newer grades like Fe-500, Fe-550, and Fe-500D. Similarly, on the application side, too, rebar use has been moving toward higher value added products like corrosion resistant steel rebar, epoxy coated rebar, earthquake resistant rebar, galvanized rebar, etc.

Indian rebar markets is scattered into many large regional players serving local customers at either at par or a discount to the national level players. But, their acceptance among consumers is smooth resulting into their high business volumes. Many large and small players have strengthened their presence in regional markets making thereby entry of national level players difficult.

### **Branding in the Rebar Industry**

Increased competition in the Rebar industry has resulted in the market becoming commoditized. Industry players in the last five years have focused more on marketing and branding of the product. Tata Steel is the pioneer in this aspect as the company has successfully branded its products, thereby sustaining its leadership. In 2009-10, Tata Steel was also accorded

the first superBrand for this segment. Tata steel achieved a production of 1.56 million tons of TMT rebar becoming the largest TMT rebar manufacturer. Other organized sector players including Jindals and Balmukund have claimed strong presence in rural markets.

### Outlook

With increased focus on urbanization, the rebar market is likely to witness a strong growth in coming years. Slow growth was recorded albeit temporarily after a slowdown in India economic growth in the past few years. Demonetization of high value currency notes in November 2016 worsened the entire construction activity including demand or rebars in India. But, its impact has started subsiding with forecast of strong growth momentum to begin in near future. Global consultancy Frost & Sullivan forecast India’s demand of rebars to hit 41.82 million tonnes by 2020-21 as shown below:

<b>DEMAND FORECAST OF STEEL REBARS</b>	
<b>FINANCIAL YEAR</b>	<b>QUANTITY (MT)</b>
2011-12	21.77
2012-13	22.04
2013-14	23.91
2014-15	25.90
2015-16	28.05
2016-17	30.39
2017-18	32.91
2018-19	35.65
2019-20	38.61
2020-21	41.82

*Source : Frost & Sullivan Analysis*

(Source: <http://steelworld.com/newsletter/2017/feb17/infocus0217.pdf>)

## SUMMARY OF OUR BUSINESS

In addition to the information contained in this chapter, please also read the section titled “Risk Factors” in order to better understand the risks relevant in our business.

### OUR OVERVIEW

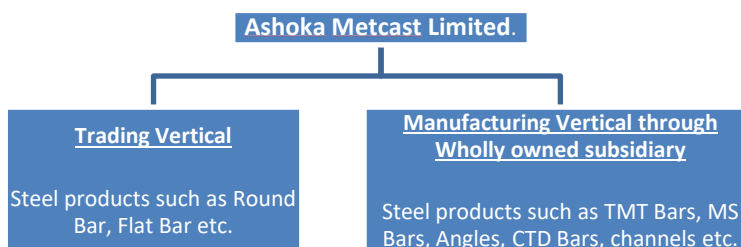
#### About our Group

Our company is part of Gujarat Based diversified business group currently promoted by Mr. Shalin Ashok Shah and Family. Our group has business interests in various sectors including Oil and Gas, Steel, Infrastructure, Electronic Equipments and Real Estate. Our flagship group company – Gujarat Natural resources Ltd. is engaged in the business of Oil & Gas exploration and production and currently has participating interests in 6 producing blocks in Cambay basin and is operator in four of these blocks. The company is listed on BSE and has a market capitalisation of around 125 crores. For further details of our promoters group and group companies please see “Promoters and Promoters Group” and “Group Companies” beginning on page 116 and 120 respectively of this Draft Prospectus.

#### About our company

Our company was incorporated as “Tanya Estates Pvt. Ltd.” on 29<sup>th</sup> July, 2009 with RoC, Gujarat. For details of our change in name as well as past business activities refer “History and Certain corporate matters” beginning on page no. 97 respectively of this Draft Prospectus.

Our company is currently engaged in trading and manufacturing of structural steel products like TMT bars, angles, channels, MS Bars etc. The business model of the company is as explained below:



The Company plans to leverage its group and promoter networks in the real estate and infrastructure space as well as strong balance sheet situation to increase its presence in the structural steel market of Gujarat and Western India. The company has commenced its trading operations in September 2017. The company is in the process of building a structural steel focussed trading vertical as well as developing a strong team to cater to its proposed increased operational needs.

Further the company has recently acquired 100% stake in Shree Ghantakarna Rolling Mills Pvt. Ltd. (making it its wholly owned subsidiary company). Our subsidiary company owns a rolling mill having aggregate installed capacity of 12,000 tons; however the same has been non-operational for 16 years due to internal financial constraints as well as market conditions. Post acquisition we have begun the process of revamping as well as expanding its production facilities and we intend to begin its production in April 2018 with an aggregate installed capacity of 18,000 tons per annum.

As on November 30, 2017 our company employed 8 people on its payroll.

#### Our Strengths

##### *Well educated and experienced management*

Our senior management team is well educated and experienced in the trading and manufacturing industry of steel product. Our Promoter Director – Mr. Shalin Shah has completed his civil engineering in the year of 1994 and he has over two

decades of multiple industry experience. We believe that our management team's experience and their understanding of the relevant business cycles will enable us take advantage of both current and future market opportunities. It is also expected to help us on addressing and mitigating various risks inherent in our business, including significant competition, reliance on independent agents, and fluctuations in prices.

### ***Group Synergies***

Our company is part of Gujarat Based diversified business group currently promoted by Mr. Shalin Ashok Shah and Family. Our group has business interests in various sectors including Oil and Gas, Steel, Infrastructure, Electronic Equipments and Real Estate. We believe that our interests and networks amongst the real estate and infrastructure space would help us identify sustainable business opportunities in our structural steel business.

### ***Strong Balance Sheet and Financial Condition***

We currently possess a unique balance sheet situation with low debt and high equity. Hence we can procure the goods by making upfront payments and take benefit of cash discount which will improve our profitability. We believe that we have the ability to leverage our balance sheet to take advantage of a favourable business cycle or market opportunity.

### ***Locational advantage of manufacturing unit***

Our manufacturing unit (proposed to be made operational through our wholly owned subsidiary) is located at around 40 kms from Ahmedabad at Industrial area of Kadi near Ahmedabad-Mehsana highway. Both Ahmedabad and Mehsana are big steel markets and thus the location is strategically advantageous. There are many steel industries nearby from where raw materials are easily made available. The location of the project is surrounded by states like Maharashtra, Rajasthan and Madhya Pradesh, which are producing sample quantity of iron and steel raw material. So, the basic raw materials for present as well as proposed products are all indigenously available at short notice and in required quantity and quality. The location of our plant is important for the smooth and economical operation of the industrial unit.

### **Our Strategies**

#### ***Improve our fund based capabilities to better exploit market conditions***

We have over the last few years begun the process of realigning our asset and liabilities and have recently changed our name and main objects. Our new business venture requires liquidity of funds to monetize the market opportunities in trading of structural steel products. We hence intend to raise funds from the IPO and ensure we have available liquidity and resources. Further we have recently begun the process of revamping as well as expanding its production facilities and we intend to begin its production in April 2018 with an aggregate installed capacity of 18,000 tons per annum. This plant revamp and expansion is also being part funded from the IPO Proceeds. For details of our fund requirements and proposed utilisations please see "Objects of the Issue" beginning on page 57 of this Draft Prospectus.

#### ***Develop relations with a larger pool of market participants***

We have begun our trading vertical in September 2017 itself and hence we have not yet developed a strong client base. Our strategy is to develop long-term relationships with existing and prospective clients by providing quality products in timely manner. We believe in developing relationships that go beyond one-time interaction. We are striving to focus our resources to develop and maintain new clientele as well as sustainable supplier chain.

#### ***Invest in technology and make the manufacturing unit strong supply partner for the trading vertical.***

Our subsidiary company has a rolling mill which has been non-operational for 16 years. We have recently begun the process of revamping as well as expanding its production facilities and we intend to begin its production in April 2018 with an aggregate installed capacity of 18,000 tons per annum. This plant revamp and expansion is also being part funded from the IPO Proceeds. For further details of the modernization and investments being made by the company please see "Objects of the Issue" beginning on page 57 of this Draft Prospectus. Once operational our manufacturing unit will be a strong supply partner to the trading vertical.

### ***Focus on Structural Steel segment***

Our group companies are involved in the trading of various steel of products. However we intend to focus on “structural steel” product market. The global structural steel market size was valued at USD 84.6 billion in 2015 and is projected to grow at a CAGR of 5.5% from 2016 to 2025. Strong recovery of construction industry in developed markets of the U.S., Germany and UK is a key factor driving market growth. India’s finished steel exports rose 102.1 and 2016-17 Total consumption of finished steel grew by 3.4 per cent year-on-year at 6.015 MT during April 2017. Huge scope for growth is offered by India’s comparatively low per capita steel consumption and the expected rise in consumption due to increased infrastructure construction and the thriving automobile and railways sectors.

We believe that having a focus on this growing segment would provide us a competitive edge compared to other trading companies which deal in all steel products.

### ***Explore possibilities of geographical expansion of operations***

We intend to over time expand our business beyond the Gujarat market to the neighboring states of Maharashtra, Rajasthan and Madhya Pradesh. On infusion of additional funds, we intend to capitalize on our industry relations and further expand the reach of our product portfolio in these markets. We expect that systematic geographical expansion, matched with a continued focus on our competitive strengths, would help us in significantly improving our market share and drive growth.

**SUMMARY OF FINANCIAL INFORMATION**

**STATEMENT OF CONSOLIDATED ASSETS AND LIABILITIES, AS RESTATED**

*(₹ in lakhs)*

Particulars	As at 15 <sup>th</sup> November 2017
<b>EQUITY AND LIABILITIES</b>	
<b>Shareholder's fund</b>	
a) Equity Share Capital	471.00
b) Reserves and surplus	479.27
<b>Total Shareholders Fund</b>	<b>950.27</b>
<b>Non-current liabilities</b>	
a) Deferred Tax Liabilities	0.48
b) Long Term Borrowings	320.69
c) Other Non Current Liabilities	201.03
<b>Total</b>	<b>522.20</b>
<b>Current liabilities</b>	
a) Short Term Borrowings	521.80
b) Trade Payables	-
c) Other Current Liabilities	11.17
<b>Total</b>	<b>532.97</b>
<b>TOTAL</b>	<b>2,005.44</b>
<b>ASSETS</b>	
<b>Non - Current Assets</b>	
a) Fixed Assets (Property, Plant and Equipment)	
Tangible assets	398.32
b) Non Current Investments	557.45
c) Goodwill on Consolidation	95.77
d) Other Non Current Assets	68.90
<b>Total</b>	<b>1,120.44</b>
<b>Current Assets</b>	
a) Short Term Loans and Advances	90.42
b) Trade Receivables	769.53
c) Cash and Cash Equivalents	10.76
d) Other Current Assets	14.29
<b>Total</b>	<b>885.00</b>
<b>TOTAL</b>	<b>2,005.44</b>



**STATEMENT OF CONSOLIDATED PROFIT AND LOSS ACCOUNT, AS RESTATED**
*(₹ in lakhs)*

Particulars	For the period ended November 15, 2017
<b>INCOME</b>	
Revenue from Operations	652.14
Other Income	0.86
<b>Total Income (1)</b>	<b>653.00</b>
<b>EXPENSES:</b>	
Purchase of Stock in Trade	641.99
Employee Benefits	1.52
Finance costs	0.03
Depreciation and Amortization expense	0.23
Other Expenses	2.48
<b>Total expenses(2)</b>	<b>646.25</b>
<b>Net Profit / (Loss) before Tax and extra-ordinary items(1-2)</b>	<b>6.75</b>
<b>Less: Tax Expense</b>	
Current tax	1.68
MAT Credit Entitlement	(0.15)
Income tax earlier years	
Deferred tax	0.41
<b>Total Tax(3)</b>	<b>1.94</b>
<b>Net Profit / ( Loss ) for the period after tax but before extra-ordinary items(2-3)</b>	<b>4.81</b>
<b>Share of Profit in Associate</b>	<b>3.33</b>
<b>Net Profit for the year</b>	<b>8.14</b>

Cash Flow Statement of the Group is not prepared as specified in AS 3 issued by ICAI as this being the first time the Group is preparing the Consolidated Financial Statement and the comparatives are not provided considering the Transition Provision.

**STATEMENT OF STANDALONE ASSETS AND LIABILITIES, AS RESTATED**
*(₹ in lakhs)*

Particulars	As at November 15,2017	As at March 31,				
		2017	2016	2015	2014	2013
<b>EQUITY AND LIABILITIES</b>						
<b>1.Shareholder's fund</b>						
a) Equity Share Capital	471.00	1.00	1.00	1.00	1.00	1.00
b)Reserves and surplus	475.70	0.30	-0.77	-0.90	-1.57	-0.46
<b>Total Shareholders Fund (1)</b>	<b>946.70</b>	<b>1.30</b>	<b>0.23</b>	<b>0.10</b>	<b>-0.57</b>	<b>0.54</b>
<b>2.Non-current liabilities</b>						
a) Other non current liabilities	200.00	1,052.07	1,817.37	-	-	-
b) Deferred Tax Liabilities	0.48	0.07	-	-	-	-
<b>Total(2)</b>	<b>200.48</b>	<b>1,052.14</b>	<b>1,817.37</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>3.Current liabilities</b>						
a) Short-term borrowings	504.60	-	10.36	127.73	136.16	43.50
b) Trade payables	-	3.16	-	-	-	81.00
c) Other Current Liabilities	7.22	1.59	0.25	0.20	0.22	0.20
<b>Total(3)</b>	<b>511.82</b>	<b>4.75</b>	<b>10.61</b>	<b>127.93</b>	<b>136.38</b>	<b>124.70</b>
<b>TOTAL(1+2+3)</b>	<b>1,659.00</b>	<b>1,058.19</b>	<b>1,828.21</b>	<b>128.03</b>	<b>135.81</b>	<b>125.23</b>
<b>ASSETS</b>						
<b>1.Non - Current Assets</b>						
a) Fixed Assets						
i.) Tangible assets	0.64	0.81	-	-	-	-
b) Non- Current Investments	861.00	461.50	366.00	116.00	116.00	116.00
<b>Total (1)</b>	<b>861.64</b>	<b>462.31</b>	<b>366.00</b>	<b>116.00</b>	<b>116.00</b>	<b>116.00</b>
<b>2.Current Assets</b>						
a) Trade Receivables	769.53	9.65	-	-	-	-
b) Cash and Cash equivalents	6.01	1.11	1.03	1.35	9.71	3.13
d) Short-term loans and advances	7.53	585.12	1461.11	10.61	10.03	6.03
e) Other current assets	14.30	-	0.07	0.07	0.07	0.07
<b>Total(2)</b>	<b>797.36</b>	<b>595.88</b>	<b>1,462.21</b>	<b>12.03</b>	<b>19.81</b>	<b>9.23</b>
<b>TOTAL(1+2)</b>	<b>1,659.00</b>	<b>1,058.19</b>	<b>1,828.21</b>	<b>128.03</b>	<b>135.81</b>	<b>125.23</b>

**STATEMENT OF STANDALONE PROFIT AND LOSS ACCOUNT, AS RESTATED**
*(₹ in lakhs)*

Particulars	For the period ended November 15, 2017	For the year ended March 31,				
		2017	2016	2015	2014	2013
<b>INCOME:</b>						
Revenue from Operations(Net)	652.14	-	-	-	-	-
Other Income	0.35	9.85	0.35	0.88	0.35	-
<b>Total income</b>	<b>652.49</b>	<b>9.85</b>	<b>0.35</b>	<b>0.88</b>	<b>0.35</b>	<b>-</b>
<b>EXPENSES:</b>						
Employee benefits expense	1.10	0.40	-	-	-	-
Depreciation	0.17	0.03	-	-	-	-
Other Expenses	1.89	8.01	0.21	0.21	1.45	0.15
Purchases of stock in trade	642.00	-	-	-	-	-
<b>Total expenses</b>	<b>645.15</b>	<b>8.45</b>	<b>0.21</b>	<b>0.21</b>	<b>1.45</b>	<b>0.15</b>
<b>Net Profit / (Loss) before Tax</b>	<b>7.34</b>	<b>1.40</b>	<b>0.14</b>	<b>0.67</b>	<b>(1.10)</b>	<b>(0.15)</b>
<b>Less: Tax expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Provision for income tax	1.68	0.27	-	-	-	-
Deferred tax expense/ revenue	0.41	0.07	-	-	-	-
MAT credit entitlement	(0.15)	-	-	-	-	-
<b>Total Tax Expense</b>	<b>1.94</b>	<b>0.33</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Profit / ( Loss ) after tax</b>	<b>5.40</b>	<b>1.07</b>	<b>0.14</b>	<b>0.67</b>	<b>(1.10)</b>	<b>(0.15)</b>

**STANDALONE CASH FLOW STATEMENT, AS RESTATED**
*(₹ in lakhs)*

Particulars	For the period ended November 15, 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>7.34</b>	<b>1.40</b>	<b>0.14</b>	<b>0.67</b>	<b>(1.10)</b>	<b>(0.15)</b>
Adjustments for :						
Short Term Capital Loss	0.50	-	-	-	-	-
Preliminary Expenses Written Off	0.24	0.07	-	-	-	-
Depreciation/Amortisation	0.17	0.03	-	-	-	-
<b>Operating Profit Before Working Capital Adjustments</b>	<b>8.25</b>	<b>1.51</b>	<b>0.14</b>	<b>0.67</b>	<b>(1.10)</b>	<b>(0.15)</b>
<b>Adjustment for Changes in Working Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Trade and other payable	(3.16)	3.16	-	-	(81.00)	-
Trade and other Receivables	(759.88)	(9.65)	-	-	-	-
Other Current Assets	(14.54)	-	-	-	-	-
Short Term Provisions	-	-	-	-	-	-
Other Current Liabilities	4.17	1.26	0.05	(0.02)	0.02	0.10
Non-current liabilities	(852.07)	(765.30)	1,817.37	-	-	-
<b>Cash Flow Generated from Operations</b>	<b>(1617.22)</b>	<b>(769.02)</b>	<b>1817.56</b>	<b>0.65</b>	<b>(82.08)</b>	<b>(0.05)</b>
Direct Tax Paid	(0.07)	(0.20)	-	-	-	-
<b>Net Cash flow from Operating activities (A)</b>	<b>(1617.29)</b>	<b>(769.22)</b>	<b>1817.56</b>	<b>0.65</b>	<b>(82.08)</b>	<b>(0.05)</b>
<b>Cash Flow From Investing Activities</b>						
(Purchase)/Sale of Fixed Assets	-	(0.84)	-	-	-	-
Non-Current Investments	(400.00)	(95.50)	(250.00)	-	-	-
<b>Net Cash Flow from Investing Activities (B)</b>	<b>(400.00)</b>	<b>(96.34)</b>	<b>(250.00)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash Flow From Financing Activities</b>						
Issue of share capital	470.00	-	-	-	-	-
Securities premium	470.00	-	-	-	-	-
Short term loans and advances	577.59	875.99	(1450.50)	(0.58)	(4.00)	2.52
Increase/(Decrease) in Short term borrowing	504.60	(10.36)	(117.37)	(8.43)	92.66	-
<b>Net Cash Flow from Financing Activities (C)</b>	<b>2,022.19</b>	<b>865.63</b>	<b>(1567.87)</b>	<b>(9.01)</b>	<b>88.66</b>	<b>2.52</b>
<b>Net Increase/ ( Decrease) in Cash and Cash Equivalents ( A + B + C )</b>	<b>4.90</b>	<b>0.07</b>	<b>(0.31)</b>	<b>(8.36)</b>	<b>6.58</b>	<b>2.47</b>
Cash & Cash equivalent at the beginning of the year	1.11	1.03	1.35	9.71	3.13	0.66
<b>Cash &amp; Cash Equivalent at the end of the year</b>	<b>6.01</b>	<b>1.10</b>	<b>1.03</b>	<b>1.35</b>	<b>9.71</b>	<b>3.13</b>

## THE ISSUE

### PRESENT ISSUE IN TERMS OF THIS DRAFT PROSPECTUS

<b>Equity Shares <sup>(1)</sup> :</b> Present Issue of Equity Shares by our Company <sup>(2)</sup>	60,00,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 20 per share aggregating ₹ 1,200 lakhs.
<b>Which comprises:</b>	
<b>Issue Reserved for the Market Makers</b>	3,12,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 20 per share aggregating ₹ 62.40 lakhs
<b>Net Issue to the Public</b>	56,88,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 20 per share aggregating ₹ 1,137.60 lakhs
	<b>Of Which:</b>
	28,44,000 Equity Shares of ₹ 10 each at a price of ₹ 20 per Equity Share will be available for allocation for Investors of up to ₹ 2.00 lakhs
	28,44,000 Equity Shares of ₹ 10 each at a price of ₹ 20 per Equity Share will be available for allocation for Investors of above ₹ 2.00 lakhs
<b>Equity Shares outstanding prior to the Issue</b>	47,10,000 Equity Shares
<b>Equity Shares outstanding after the Issue</b>	1,07,10,000 Equity Shares
<b>Objects of the Issue</b>	Please see “ <i>Objects of the Issue</i> ” beginning on page no. 57 of this Draft Prospectus.

<sup>(1)</sup>This Issue is being made in terms of the Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. For further details, please see “*Issue Related Information*” beginning on page no. 214 of this Draft Prospectus.

<sup>(2)</sup>The present issue has been authorized pursuant to a resolution of our Board dated November 11, 2017 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 November 15, 2017.

## GENERAL INFORMATION

Our Company was incorporated as “*Tanya Estate Private Limited*” on July 29, 2009 under the Companies Act, 1956 with the Registrar of Companies, Gujarat at Dadra and Nagar Haveli. The name of our Company was changed from “*Tanya Estate Private Limited*” to “*Ashoka Metcast Private Limited*” and a fresh certificate of incorporation was issued on September 13, 2017 by the Registrar of Companies, Gujarat at Dadra and Nagar Haveli. Further the status of our company was changed to a public limited company by a special resolution passed at a shareholders’ meeting on October 23, 2017. A fresh Certificate of Incorporation consequent upon conversion of company to public limited Company was issued on November 09, 2017 by the Registrar of Companies, Gujarat at Dadra and Nagar Haveli and consequently name of our Company was changed to “*Ashoka Metcast Limited*”. Our Company’s Corporate Identification Number is U70101GJ2009PLC057642.

For further details, please see “*History and Certain Corporate Matters*” beginning on page no. 97 of this Draft Prospectus.

### Brief Company and Issue Information

<b>Registered Office</b>	7th Floor, Ashoka Chambers, Opp. HCG Hospital Mithkhali Six Roads, Mithakhali Ahmedabad- 380006, Gujarat, India. <b>Tel No.:</b> +91- 79- 2646 3226 <b>Fax No.:</b> +91- 79- 2646 3226 <b>Email:</b> <a href="mailto:info@ashokametcast.in">info@ashokametcast.in</a> <b>Website:</b> <a href="http://www.ashokametcast.in">www.ashokametcast.in</a>
<b>Date of Incorporation</b>	July 29, 2009
<b>Company Registration No.</b>	057642
<b>Company Identification No.</b>	U70101GJ2009PLC057642
<b>Address of Registrar of Companies</b>	<b>Registrar of Companies, Gujarat</b> RoC Bhawan, Opposite Rupal Park Near Ankur Bus Stand, Naranpur, Ahmedabad 380 013 Gujarat, India <b>Tel:</b> +91 – 79- 2743 7597 / 2743 8531 <b>Fax No:</b> +91 - 79 - 2743 8371
<b>Designated Stock Exchange</b>	SME Platform of BSE Limited
<b>Company Secretary &amp; Compliance Officer</b>	<b>Ms. Bhumika Rajani</b> 7th Floor, Ashoka Chambers, Opp. HCG Hospital Mithkhali Six Roads, Mithakhali Ahmedabad- 380006, Gujarat, India. <b>Tel No.:</b> +91- 79- 2646 3226 <b>Fax No.:</b> +91- 79- 2646 3226 <b>Email:</b> <a href="mailto:compliance@ashokametcast.in">compliance@ashokametcast.in</a>
<b>Chief Financial Officer</b>	<b>Ms. Pooja Shah</b> 7th Floor, Ashoka Chambers, Opp. HCG Hospital Mithkhali Six Roads, Mithakhali Ahmedabad- 380006, Gujarat, India. <b>Tel No.:</b> +91- 79- 2646 3226 <b>Fax No.:</b> +91- 79- 2646 3226 <b>Email:</b> <a href="mailto:info@ashokametcast.in">info@ashokametcast.in</a>

### Board of Directors of our Company

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

Name	Designation	Director’s Identification No.
Mr. Shalin Shah	Managing Director	00297447
Mr. Ashok Shah	Non-Executive Non-Independent Director	02467830
Ms. Chitra Thaker	Non-Executive Independent Director	07911689
Ms. Payal Pandya	Non-Executive Independent Director	07658223



For further details pertaining to the educational qualification and experience of our Directors, for details please see “Our Management” beginning on page no. 104 of this Draft Prospectus.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre or post-Issue 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 Issue with a copy to the SCSBs, giving full details such as name, address of Applicant, application number, number of Equity Shares applied for, amount blocked on application and designated branch or the collection centre of the SCSB where the Application Form was submitted by the Applicants.

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

### LEAD MANAGER



#### ARYAMAN FINANCIAL SERVICES 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  
**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. Vatsal Ganatra  
**SEBI Registration No.:** INM000011344

### REGISTRAR TO THE ISSUE



#### ACCURATE SECURITIES & REGISTRY PRIVATE LIMITED

23, 3rd Floor, Sarthik Complex, Near Fun Republic, Iscon Cross Road,  
Satellite, Ahmedabad – 380015, Gujarat  
**Tel No.:** +91 – 79- 6943 0070 / 76  
**Email:** [accuratesecuritiesrta@gmail.com](mailto:accuratesecuritiesrta@gmail.com)  
**Website:** [www accuratesecurities.com](http://www accuratesecurities.com)  
**Investor Grievance Email:** [accuratesecuritiesrta@gmail.com](mailto:accuratesecuritiesrta@gmail.com)  
**Contact Person:** Mr. Viral Ranpura  
**SEBI Registration No.:** INR000004173

### LEGAL COUNSEL TO THE ISSUE

#### MR. ASHISH SHAH, ADVOCATE

“Rutvi”, near Poonam Flat, Opposite Vithal Wadi,  
Behind H.D.F.C. Bank, Mithakali Six Roads,  
Navrangpura, Ahmedabad- 380009, Gujarat  
**Tel No.:** +91 – 79 – 26447527  
**Contact Person:** Mr. Ashish Shah  
**Email:** [advocateashishshah@gmail.com](mailto:advocateashishshah@gmail.com)

### STATUTORY AUDITOR OF THE COMPANY

#### M/S. KEYUR BAVISHI & CO. CHARTERED ACCOUNTANTS

C-202, Indraprasth Tower, Near Drive-in Cinema  
Ahmedabad- 380052, Gujarat, India  
**Tel No.:** +91- 79 – 2749 5547  
**Fax No:** +91- 79 – 2749 5547

**Email:** [keyurbavishi@yahoo.com](mailto:keyurbavishi@yahoo.com)  
**Contact Person:** CA Keyur Bavishi  
Firm Registration Number: 131191W

#### PEER REVIEW AUDITOR OF THE COMPANY

**M/S. GMCA & CO., CHARTERED ACCOUNTANTS**  
101, Parishram, 5-B, Rashmi Society, Near L G Showroom,  
Mithakali Six Road, Navrangpura, Ahmedabad- 380009, Gujarat  
**Tel No.:** +91- 79- 4003 7372  
**Email:** [gmca1973@gmail.com](mailto:gmca1973@gmail.com)  
**Contact Person:** Mr. Amin G. Shaikh  
**Firm Registration Number:** 109850W

#### BANKERS TO OUR COMPANY

**YES BANK LIMITED**  
Unit 101-103, C G Centre, C G Road, Ahmedabad – 380009, Gujarat  
**Tel No.:** +91 – 79 – 3045 9131  
**Fax No.:** +91 – 79 – 6631 8432  
**Contact Person:** Mr. Manish Soni  
**Email:** [manish.soni@yesbank.in](mailto:manish.soni@yesbank.in)  
**Website:** [www.yesbank.in](http://www.yesbank.in)

#### BANKERS TO THE ISSUE

[•]

#### 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 ISSUE

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

#### REGISTRAR TO ISSUE AND SHARE TRANSFER AGENTS

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

#### COLLECTING DEPOSITORY PARTICIPANTS

The list of the CDPs eligible to accept Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of Stock Exchange at BSE Limited, as updated from time to time.

The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Application Forms from the Designated Intermediaries will be available on the website of the SEBI ([www.sebi.gov.in](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 Issue, and hence is responsible for all the Issue 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 issue size is below ₹ 10,000 lakhs and hence our Company has not appointed a monitoring agency for this issue.

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 Draft Prospectus.

## **IPO GRADING**

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

## **TRUSTEES**

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

## **DETAILS OF THE APPRAISING AUTHORITY**

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

## **CREDIT RATING**

This being an Issue 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 the Auditors namely, M/s. GMCA & Co., Chartered Accountants, (Peer Review Auditors) and M/s. Keyur Bavishi & Co., Chartered Accountants (Statutory Auditors) and Legal Advisor Ms/ Ashish Haresh Shah to include their name as required under section 26(1)(a)(v) of the Companies Act, 2013 in this Draft 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 December 12, 2017 and the Statement of Tax Benefits dated November 28, 2017, issued by them respectively, included in this Draft Prospectus and such consents have not been withdrawn as on the date of this Draft Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

## **ISSUE PROGRAMME**

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

<b>Event</b>	<b>Indicative Date</b>
Issue Opening Date	[•]

Event	Indicative Date
Issue Closing Date	[•]
Finalisation of Basis of Allotment with the Designated Stock Exchange	[•]
Initiation of Allotment / Refunds / Unblocking of Funds	[•]
Credit of Equity Shares to demat accounts of Allottees	[•]
Commencement of trading of the Equity Shares on the Stock Exchange	[•]

The above timetable is indicative and does not constitute any obligation on our Company 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 Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company, or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Applications and any revision to the same shall be accepted **only between 10.00 a.m. and 5.00 p.m.** (IST) during the Issue Period. On the Issue Closing Date, the 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 Issue Closing Date, the Applicants are advised to submit their Applications one day prior to the Issue Closing Date and, in any case, no later than 3.00 p.m. (IST) on the Issue 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 issue 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 Issue. 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.

Non Retail Applicants shall not be allowed to either withdraw or lower the size of their Application at any stage. Non Retail Applicants may revise their Applications upwards (in terms of quantity of Equity Shares) during the Issue Period. Such upward revision must be made using the Revision Form.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Application Form, for a particular Applicant, the Registrar to the Issue shall ask the relevant SCSBs / RTAs / DPs / Stock Brokers, as the case may be, for rectified data.

## UNDERWRITING

This Issue is 100% Underwritten . The Underwriting agreement is dated November 25, 2017. 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 indicated their intention to underwrite the following number of specified securities being issued through this Issue:

Details of the Underwriter	No. of Shares Underwritten	Amt Underwritten (T in lakhs)	% of the Total Issue Size Underwritten
<b>Aryaman Financial Services Limited</b> 60, Khatau Building, Gr. Floor, Alkesh Dinesh Modi Marg, Opp. P.J. Tower (BSE Bldg.), Fort, Mumbai – 400 001 <b>Tel. No.:</b> +91 – 22 – 6216 6999 <b>Fax No.:</b> +91 – 22 – 2263 0434 <b>Email:</b> <a href="mailto:ipo@afsl.co.in">ipo@afsl.co.in</a>	56,88,000	1,137.60	94.80%

Details of the Underwriter	No. of Shares Underwritten	Amt Underwritten (T in lakhs)	% of the Total Issue Size Underwritten
<b>Aryaman Capital Markets Limited</b> 60, Khatau Building, Gr. Floor, Alkesh Dinesh Modi Marg, Opp. P.J. Tower (BSE Bldg.), Fort, Mumbai – 400 001 <b>Tel. No.:</b> +91 – 22 – 6216 6999 <b>Fax No.:</b> +91 – 22 – 2263 0434 <b>Email:</b> <a href="mailto:aryacapm@gmail.com">aryacapm@gmail.com</a>	3,12,000	62.40	5.2%
<b>Total</b>	<b>60,00,000</b>	<b>1,200.00</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 Issue 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 ISSUE

Our Company, in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time after the Issue 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- issue advertisements were published, within two days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA 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. Notwithstanding the foregoing, the Issue 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 withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an IP O, 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

#### Details of the Market Making Arrangement for this Issue

Our Company and the Lead Manager, Aryaman Financial Services Limited have entered into a Market Making Agreement dated November 25, 2017 with Aryaman Capital Markets Ltd (“ACML”), a Market Maker registered with the SME Platform of BSE Limited (“BSE”) in order to fulfil the obligations of Market Making and ACML has given its consent for inclusion of its name in the Draft Prospectus as Market Maker.

The Market Maker shall fulfil 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 BSE 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 offer 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 BSE SME 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 BSE SME Platform and Market Maker will remain present as per the guidelines mentioned under BSE 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:** BSE SME Platform will have all margins which are applicable on the BSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.
11. **Punitive Action in case of default by Market Maker:** BSE Limited 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



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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 Draft Prospectus is set forth below:

(₹ in lakhs, except share data)

Sr. No.	Particulars	Aggregate Value at Nominal Value	Aggregate Value at Issue Price
<b>A</b>	<b>Authorised Share Capital</b>		
	1,10,00,000 Equity Shares of face value of ₹ 10 each	1,100.00	-
<b>B</b>	<b>Issued, Subscribed and Paid-up Share Capital before the Issue</b>		
	47,10,000 Equity Shares of face value of ₹ 10 each	471.00	-
<b>C</b>	<b>Present Issue in terms of this Prospectus<sup>(1)</sup></b>		
	Issue of 60,00,000 Equity Shares of ₹ 10 each at a price of ₹ 20 per equity Share	600.00	1,200.00
	<i>Which comprises:</i>		
	3,12,000 Equity Shares of ₹ 10 each at a price of ₹ 20 per Equity Share reserved as Market Maker Portion	31.20	62.40
	Net Issue to Public of 56,88,000 Equity Shares of ₹ 10 each at a price of ₹ 20 per Equity Share to the Public	568.80	1,137.60
	<i>Of which:</i>		
	28,44,000 Equity Shares of ₹ 10 each at a price of ₹ 20 per Equity Share will be available for allocation for Investors of up to ₹ 2.00 lakhs	284.40	568.80
	28,44,000 Equity Shares of ₹ 10 each at a price of ₹ 20 per Equity Share will be available for allocation for Investors of above ₹ 2.00 lakhs	284.40	568.80
<b>D</b>	<b>Equity Share Capital after the Issue</b>		
	1,07,10,000 Equity Shares of ₹ 10 each		1,071.00
<b>E</b>	<b>Securities Premium Account</b>		
	Before the Issue (as on date of this Draft Prospectus)		470.00
	After the Issue		1070.00

<sup>(1)</sup> The present issue has been authorized pursuant to a resolution of our Board dated November 11, 2017 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 November 15, 2017.

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

### Changes in Authorized Share Capital

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

- The authorized share capital of our Company at the time of incorporation was ₹ 1,00,000 divided into 10,000 Equity Shares of ₹ 10 (Rupees Ten only) each.
- The authorised share capital of ₹ 1,00,000 divided into 10,000 Equity Shares of ₹ 10 each was increased to ₹ 11,00,00,000 divided into 1,10,00,000 Equity Shares of ₹ 10 each, pursuant to resolution of our shareholders dated September 23, 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 (₹)	Issue 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 <sup>(1)</sup>	10	10	Subscription to MoA	Cash	10,000	1,00,000	Nil
September 25, 2017	25,00,000	10	20	Conversion of Loan in to Equity	Other than Cash	25,10,000	2,51,00,000	2,50,00,000
October 28, 2017	22,00,000 <sup>(2)</sup>	10	20	Further Allotment	Cash	47,10,000	4,71,00,000	4,70,00,000

<sup>(1)</sup> Allotment of 5,000 Equity Shares each to Mr. Shalin Shah and Mrs. Leena Shah, pursuant to their subscription to the Memorandum of Association.

<sup>(2)</sup> Allotment of 11,00,000 each to Mr. Shalin Shah and Shalin Shah (HUF).

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

Sr. No.	Date of Allotment	Name of the Allottees	No. of Equity Shares Allotted	Face Value (₹)	Issue Price (₹)	Nature of Allotment	Benefits Accrued to the Company
1.	September 25, 2017	Mr. Ashok Shah	5,00,000	10	20	Conversion of Loan in to Equity	Repayment of Loan
2.		Mrs. Leena Shah	5,55,000				
3.		Mr. Shalin Shah	7,50,000				
4.		Shalin A. Shah (HUF)	6,95,000				

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 Issue Price within the last one year from the date of this Draft Prospectus.

#### 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	Nature of Consideration	No of Equity Shares	FV (₹)	Issue / Transfer Price (₹)	Cumulative No. of Shares	% of Pre Issue Paid – Up Capital	% of Post Issue Paid – Up Capital	Lock in Period
<b>Mr. Shalin Shah</b>									
July 24, 2009	Subscription to MOA	Cash	5,000	10	10	5,000	0.11	0.04	1 year
September 25, 2017	Conversion of loan into equity	Other than Cash	7,50,000	10	20	7,55,000	15.92	7.00	1 year
October 28, 2017	Further Allotment	Cash	26,000	10	20	18,55,000	0.55	0.25	1 year
			10,74,000				22.80	10.03	3 years
<b>Shalin A. Shah (HUF)</b>									
September 25, 2017	Conversion of loan into equity	Other than Cash	6,95,000	10	20	6,95,000	14.76	6.48	1 year
October 28, 2017	Further Allotment	Cash	26,000	10	20	17,95,000	0.55	0.25	1 year
			10,74,000				22.80	10.03	3 years

Notes:

- None of the shares belonging to our Promoters have been pledged till date.
  - The entire Promoters' shares shall be subject to lock-in from the date of allotment of the equity shares issued through this Draft Prospectus for periods as per applicable Regulations of the SEBI (ICDR) Regulations. For details please see Note no. 2 of the chapter titled “*Capital Structure*” beginning on page no. 50 of this Draft Prospectus.
  - All the shares held by our Promoters, were fully paid-up on the respective dates of acquisition of such shares.
  - 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 by them for this purpose.
- g) Except as disclosed below, none of the members of the Promoter, Promoter 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 the Draft Prospectus:

Date of Transfer	Name of Transferor	Name of Transferee	No. of Shares (F.V. ₹ 10)	Issue/ Transfer Price (₹)	Nature of Transaction	Nature of Consideration
October 03, 2017	Mrs. Leena Shah	Lasha Agro Foods Private Limited	100	20	Transfer	Cash
October 03, 2017	Mrs. Leena Shah	Ashnisha Industries Limited	100	20	Transfer	Cash
October 03, 2017	Mrs. Leena Shah	Mrs. Payal Shah	100	20	Transfer	Cash

- 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 this Draft 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-Issue Equity Share Capital held by our Promoters 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 Issue Share Capital
Mr. Shalin Shah	10,74,000	10.03%
Shalin A. Shah (HUF)	10,74,000	10.03%
<b>Total</b>	<b>21,48,000</b>	<b>20.06%</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 see Note no. 1(f) under "Notes to Capital Structure" beginning on page no. 51 of this Draft Prospectus.

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.
- Equity Shares acquired by the Promoter during the preceding one year, at a price lower than the price at which Equity Shares are being issued to public in the Issue.
- 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.

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-Issue capital shall be locked-in for a period of three years from the date of Allotment of the Equity Shares in the Issue.

**We further confirm that our Promoters' Contribution of 20% of the Post Issue 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-Issue Equity Share capital will be locked in for a period of one (1) year from the date of Allotment in this Issue, other than the Equity Shares allotted and subscribed pursuant to the Offer for Sale.

- b) 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 issue 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 have been pledged to any person, including banks and financial institutions.
- c) 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 Promoters/ 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.
- d) 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-Issue and Post Issue Shareholding of our Promoter and Promoters' Group

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

Category of Promoters / Promoter Group	Pre Issue		Post Issue	
	No. of Shares	%	No. of Shares	%
<b>1. Promoters</b>				
Mr. Shalin Shah	18,55,000	39.38%	18,55,000	17.32
Shalin A. Shah (HUF)	17,95,000	38.11%	17,95,000	16.76
<b>Sub-Total Promoter Shareholding</b>	<b>36,50,000</b>	<b>77.49%</b>	<b>36,50,000</b>	<b>34.08</b>
<b>2. Promoters Group</b>				
Mr. Ashok Shah	5,00,000	10.62%	5,00,000	4.67
Mrs. Leena Shah	5,59,700	11.89%	5,59,700	5.23
Mrs. Payal Shah	100	0.00	100	0.00
Lesha Agro Foods Private Limited	100	0.00	100	0.00
Ashnisha Industries Limited	100	0.00	100	0.00
<b>Sub – Total Promoter Group Shareholding</b>	<b>10,60,000</b>	<b>22.51</b>	<b>10,60,000</b>	<b>9.90</b>
<b>3. Other Persons, Firms or Companies whose shareholding is aggregated for the purpose of disclosing in the Prospectus under the heading “Shareholding of the Promoter Group”.</b>	-	-	-	-
<b>Total Promoter &amp; Promoter Group Holding</b>	<b>47,10,000</b>	<b>100.00%</b>	<b>47,10,000</b>	<b>43.98</b>
<b>Total Paid up Capital</b>	<b>47,10,000</b>	<b>100.00%</b>	<b>1,07,10,000</b>	<b>100.00</b>

### 4) 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 Draft Prospectus are:

Sr. No.	Particulars	No. of Shares	% of Shares to Pre – Issue Share Capital
1	Mr. Shalin Shah	18,55,000	39.38%
2	Shalin A. Shah (HUF)	17,95,000	38.11%
3	Mr. Ashok Shah	5,00,000	10.62%
4	Mrs. Leena Shah	5,59,700	11.89%
5	Mrs. Payal Shah	100	0.00



Sr. No.	Particulars	No. of Shares	% of Shares to Pre – Issue Share Capital
6	Lesha Agro Foods Private Limited	100	0.00
7	Ashnisha Industries Limited	100	0.00
	<b>Total</b>	<b>47,10,000</b>	<b>100.00%</b>

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

Sr. No.	Particulars	No. of Shares	% of Shares to Pre – Issue Share Capital
1	Mr. Shalin Shah	18,55,000	39.38%
2	Shalin A. Shah (HUF)	17,95,000	38.11%
3	Mr. Ashok Shah	5,00,000	10.62%
4	Mrs. Leena Shah	5,59,700	11.89%
5	Mrs. Payal Shah	100	0.00
6	Lesha Agro Foods Private Limited	100	0.00
7	Ashnisha Industries Limited	100	0.00
	<b>Total</b>	<b>47,10,000</b>	<b>100.00</b>

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

Sr. No.	Particulars	No. of Shares	% of Shares to Pre – Issue Share Capital
1	Mr. Shalin Shah	5,000	50.00
2	Mrs. Leena Shah	5,000	50.00
	<b>Total</b>	<b>10,000</b>	<b>100.00</b>

- 5) Neither the Company, nor our Promoters, or our Directors or the Lead Manager have entered into any buyback and/or standby arrangements for purchase of Equity Shares of the Company from any person.
- 6) None of our Directors or Key Managerial Personnel holds Equity Shares in the Company, except as stated in the chapter titled “*Our Management*” beginning on page no. 104 of this Draft Prospectus.
- 7) Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed under “*Basis of Allotment*” in the chapter titled “*Issue Procedure*” beginning on page no. 222 of this Draft Prospectus. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 43(3) of SEBI (ICDR) Regulations, as amended from time to time.
- 8) An investor cannot make an application for more than the number of Equity Shares offered in this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.
- 9) Our Promoters and Promoter Group will not participate in the Issue.
- 10) An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post-issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoter and subject to lock- in shall be suitably increased; so as to ensure that 20% of the post Issue 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 Issue.
- 13) As on date of this Draft Prospectus, there are no outstanding financial instruments or any other rights that would entitle the existing Promoters or shareholders or any other person any option to receive Equity Shares after the Issue.
- 14) There shall be only one denomination of Equity Shares of our Company unless otherwise permitted by law.
- 15) Our Company shall comply with disclosure and accounting norms as may be specified by SEBI from time to time.
- 16) 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 Draft Prospectus the entire pre-issue share capital of the Company has been made fully paid up.
- 17) Except as disclosed in this Draft Prospectus, our Company presently does not have any intention or proposal to alter its capital structure for a period of six months commencing from the date of opening of this Issue, 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.
- 18) 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 above in this Draft Prospectus.
- 19) As on date of this Draft 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.
- 20) Our Company shall ensure that transactions in the Equity Shares by our Promoters and our Promoter Group between the date of this Draft Prospectus and the Issue Closing Date shall be reported to the Stock Exchange within 24 hours of such transaction.
- 21) The Lead Manager viz. Aryaman Financial Services Limited and its associates do not directly or indirectly hold any shares of our Company.
- 22) Our Company has seven (7) shareholders, as on the date of this Draft Prospectus.
- 23) Our Company has not made any public issue (including any rights issue to the public) since its incorporation.
- 24) Our Company has not raised any bridge loans against the proceeds of this Issue.
- 25) Our Company has not revalued its assets in the last 5 years.

## SECTION IV: PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

The Objects of the Issue is to raise funds for:

- (a) Investment in subsidiary company – SGRMPL for funding capital expenditure requirements in relation to revival and modernisation of existing manufacturing facility at Kadi, Gujarat and working capital requirements;
- (b) Repayment of loans;
- (c) Funding expenditure for General Corporate Purposes.

Further, our Company expects that the listing of the Equity Shares on SME Platform of BSE will enhance our visibility and our brand image among our existing and potential stakeholders.

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 our Company through the Present Issue.

#### Issue Proceeds

(₹ In lakhs)

Particulars	Amount
Gross Proceeds of the Issue	1,200.00
Issue Expenses	50.00
<b>Net Proceeds of the Issue</b>	<b>1,150.00</b>

#### Requirement of Funds and utilization of Issue proceeds

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 Issue (“**Net Proceeds**”) of ₹ 1,150 lakhs for financing the objects as set forth below:

(₹ In lakhs)

Sr. No.	Particulars	Amount
1	Investment in subsidiary company – SGRMPL for funding capital expenditure requirements in relation to revival and modernisation of existing manufacturing facility at Kadi, Gujarat and working capital requirements	740.00
2	Repayment of loans	210.00
3	Funding expenditure for General Corporate Purposes	200.00
	<b>Total</b>	<b>1,150.00</b>

\* The above utilisation of funds is expected to complete in FY 2017-18 itself.

#### Means of Finance

The entire fund requirements are to be financed from the Net 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 Issue.

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 Issue. 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 Issue shall be undertaken in accordance with the terms of the Companies Act and the rules framed thereunder.

In case of delays in raising funds from the Issue, our company may deploy certain amounts towards any of the above mentioned Objects through a combination of Internal Accruals or Unsecured / 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 Issue Proceeds.

The fund requirement and deployment is based on internal management estimates and have not been appraised by any bank or financial institution. Our management, in response to the competitive and dynamic nature of the industry, will have the discretion to revise its business plan from time to time and consequently our funding requirement and deployment of funds may also change. This may, subject to compliance with applicable laws and regulations, also include rescheduling the proposed utilization of Fresh Issue Proceeds and increasing or decreasing expenditure for a particular object *vis-à-vis* the utilization of Fresh Issue Proceeds.

For further details on the risks involved in our proposed fund utilization as well as executing our business strategies, please see “*Risk Factors*” beginning on page no. 11 of this Draft Prospectus.

### Details of Fund Requirements

**1) Investment in subsidiary company – SGRMPL for funding capital expenditure requirements in relation to revival and modernisation of existing manufacturing facility at Kadi, Gujarat and working capital requirements.**

We have recently acquired 100% holding in Shree Ghantakarna Rolling Mills Pvt. Ltd. making it our wholly owned subsidiary company. Our subsidiary company owns a rolling mill having aggregate installed capacity of 12,000 tons; however the same has been non-operational for 16 years due to internal financial constraints as well as market conditions. Post acquisition we have begun the process of revamping as well as expanding its production facilities and we intend to and undertake modernisation and expansion of its plant set up such that we can re-commence its production in April 2018 with an aggregate installed capacity of 18,000 tons per annum and adequate working capital.

The estimated amount of invested proposed is ₹. 740.00 lakhs. These amounts are to be invested by subscribing to new equity shares of Shree Ghantakarna Rolling Mills Private Limited. The details of the same are as below:

Name of Target Company	Form of Investments	Dividend Assurance	Nature of Benefit Expected
Shree Ghantakarna Rolling Mills Private Limited	Normal Equity Shares having pari passu rights of M 100/- each	No	Dividend as well as capital appreciation and other shareholder benefits as and when announced by Shree Ghantakarna Rolling Mills Private Limited.  Further we would be able to consolidate its financial statements as per applicable Accounting Standards.

The breakdown of the estimated utilisation by SGRMPL is as follows:-

		(₹ in lakhs)
Sr. No.	Particulars	Amount
(i)	Civil Works	40.00
(ii)	Plant and Machinery	451.35
(iii)	Working Capital	248.65
<b>Total</b>		<b>740.00</b>

**(i) Civil Work**

The manufacturing unit required certain civil works in order to make it ready for re-commencement. The costs of the same have been estimated based on quotation dated December 08, 2017 received from M/s. Sheth Developers (Organiser and Developers) as below:-

Sr. No.	Particulars	Amount ( ₹ in lakhs)
1	Strengthening of existing fabricated shed	40.00
2	Foundation work for extension of cooling bed	
3	Repairing of labours rooms	
4	Repairing of compound wall	
5	Miscellaneous work	
<b>Total</b>		<b>40.00</b>

The civil works are proposed to be commenced in January 2018 and complete by April 2018.

**(ii) Plant and Machinery**

SGRMPL proposes to utilise ₹ 451.35 lakhs towards purchase of plant and machinery which primarily includes roughing mill, intermediate finishing mill, re-heating furnace, workshop machinery, material handling equipments, electrical equipments, auxiliary equipments among others. We are yet to place orders for plant and machinery. The costs of the same are estimated based on quotation from M/s. Sachidanand Machinery dated December 09, 2017. The summary of which is as follows:

Sr. No.	Particulars	Quantity	Amount ( ₹ in lakhs)
1	360 MM PCD Roughing Mill	2 sets	60.00
2	230 MM PCD Intermediate Finishing Mill	6 sets	65.00
3	Re- Heating Furnace	1 set	35.00
4	16 Feet Lathe Machine	1 set	12.00
5	10 Feet Lathe Machine	2 sets	13.00
6	08 Feet Lathe Machine	2 sets	7.00
7	32" Shaping Machine	1 set	4.00
8	Redial Drill Machine	1 set	3.00
9	Tool Grinder	1 set	0.45
10	Electrical Hand Grinder	2 sets	0.25
11	Hand Vice	1 set	0.25
12	Welding Set	2 sets	0.40
13	Gas Cutting Set	2 sets	0.40
14	Air Compressor	1 set	2.50
15	Rotary Shearing Machine	3 sets	12.00
16	Pinch Rolls	3 sets	12.00
17	Oil Lubrication System	1 set	6.00
18	Material handling	1 Lot	40.35
19	1000 HP Main Motor For Roughing Mill	1 No.	12.00
20	800 HP Main Motor For Intermediate Finishing Mill	1 No.	10.00
21	Small Motors (AC) & Water pumps	1 Lot	10.00
22	Main Penal Board	1 set	13.00
23	Small Penal Board Along With Starters & small equipments	1 set	7.00
24	Cabals	1 Lot	5.00
25	Main Transformer	1 set	15.00
26	Overhead Crane 05 Ton Capacity	1 set	7.00
27	Pipe Line & Fitting for Mill Use	1 Lot	6.00
28	TMT System complete	1 set	12.00
29	Stamping Machine	1 set	11.50
	Add: Taxes		68.85
<b>Total*</b>			<b>451.35</b>

\*The quotation includes erection and commissioning support.

The plant and machinery are proposed to begin purchase in January 2018 and complete installation by April 2018.

**(iii) Working Capital Requirements**

The capex program of the plant is expected to be complete by this financial year end and it is proposed to re-commence production from April 2018 onwards and hence the earlier year financial statements are not comparable for estimating working capital estimates of the company. The details of our Subsidiary's expected working capital requirement is set out in the table below:

Particulars	(₹ in lakhs)
	2018-19 (Estimated)
<b>Current Assets</b>	
Debtors	368.97
Stock	595.10
Other Current Assets	50.00
<b>Total (A)</b>	<b>1,014.07</b>
<b>Current Liabilities</b>	
Sundry Creditors	627.25
Other Current Liabilities	104.34
<b>Total (B)</b>	<b>731.87</b>
<b>Working capital gap</b>	<b>282.20</b>
<b>Issue Proceeds (IPO)</b>	<b>250.00</b>
<b>Owned funds / internal accruals</b>	<b>32.20</b>

**Assumptions / Justification for working capital requirements**

Particulars	Assumption / Justification
Inventories	It is estimated that the company will require all forms of inventory holding namely raw materials, WIP and finished goods. An average of 50 days of inventory holding period is estimated.
Trade Receivables	We propose to operate the plant through string fiscal management wherein some of our goods would be sold to traders at cash or least credit basis and some of the goods will be sold for higher credit periods. Hence we have estimated an average of 30 days of trade receivables.
Other Current Assets	The other current assets pertain to the advance payment of taxes and have been estimated based on earlier year TDS as well as current year projections.
Trade Payables	Trade Payables constitute payments to be made to vendors providing materials and labour. The company proposes to use its group goodwill to avail good terms from its suppliers and hence an average of 60 days of trade payables is estimated.
Other Current Liabilities	Other current liabilities pertain mainly to the provision for income tax and the same has been projected based on provisions of earlier years as well as current year projections.

The above mentioned working capital estimates are based on estimated data prepared by the management and certified by M/s. Keval Ponkiya & Associates, Chartered accountants vide their certificate dated December 11,2017.

**2) Repayment of loans**

We have from time to time availed unsecured loan from our promoter director Mr. Shalin Shah This loan was primarily used for business working capital purposes and are repayable on demand. As on November 15, 2017 the amount outstanding from promoter was ₹. 504.60 Lakhs. Apart from these unsecured loans from the promoter director, our Company does not avail any other loans or credit facilities. For further details, see – “Financial Statements” beginning on page 139



As on November 15, 2017 with respect to the loan proposed to be repaid from Net Proceeds of the Issue, our Company had total outstanding unsecured loans amounting to ₹ 504.60 lakhs as confirmed by the Auditors M/s. Keyur Bavishi & Co., vide Certificate dated December 13, 2017. They have further confirmed that these loans were received from promoter and were utilised for business working capital purposes. Our Company proposes to utilize an amount of ₹. 210.00 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.	Name of the Lender	Principal Amt. of Loan outstanding as on November 15, 2017	Amt. of loan proposed to be repaid
1.	Mr. Shalin Shah	504.60	210.00
	<b>Total</b>	<b>504.60</b>	<b>210.00</b>

We may repay the above loans, before we obtain proceeds from the Issue, through other means and source of financing, including bridge loan or other financial arrangements, which then will be repaid from the proceeds of the Issue.

### 3) General corporate purposes

We propose to deploy ₹ 200 lakhs, aggregating to 16.66 % of the Proceeds of the Issue towards general corporate purposes, including but not restricted to strategic initiatives, partnerships, reduction of liabilities or debt, 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 issue related expenses shall not be considered as a part of General Corporate Purpose. Further, we confirm that the amount for general corporate purposes, as mentioned in this Draft Prospectus, shall not exceed 25% of the amount raised by our Company through this Issue.

### Issue related expenses

The total estimated Issue Expenses are ₹ 50 lakhs, which is 4.16 % of the total Issue Size. The details of the Issue Expenses are tabulated below:

Sr. No.	Particulars	Amount (T in lakhs)	% of Total Expenses	% of Total Issue size
1	Payment to Merchant Banker including fees and reimbursement of selling commissions, underwriting, brokerage, payment to Legal Advisors, Registrars. <sup>(2)(3)</sup>	34.00	68.00%	2.83%
2	Printing & Stationery, Distribution, Postage, etc.	3.00	6.00%	0.25%
3	Advertisement and Marketing Expenses	3.00	6.00%	0.25%
4	Listing Fees, Market Making fees, Market Regulatory & Other Expenses <sup>(1)</sup>	10.00	20.00%	0.83%
	<b>Total</b>	<b>50.00</b>	<b>100%</b>	<b>4.16%</b>

<sup>(1)</sup> The SCSBs and other intermediaries would 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 ₹ 25/- per Application Form, for processing the Application Forms procured by other intermediaries and submitted to the SCSBs.

- (3) *Further, the SCSBs and other intermediaries would be entitled to selling commission of 0.10% of the Amount Allotted (product of the number of Equity Shares Allotted and the Issue Price) for the forms directly procured by them and uploaded on the electronic system of the Stock Exchange by them.*
- (4) *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 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 Draft Prospectus, which are proposed to be repaid from the Net Proceeds of the Issue.

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

There is no requirement for a monitoring agency as the Issue size is less than ₹ 10,000 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 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.

Pursuant to Regulation 32 of the Listing Regulations, our Company shall on half-yearly basis disclose to the Audit Committee the use and application of the Issue Proceeds. Until such time as any part of the Issue Proceeds remains unutilised, our Company will disclose the utilization of the Issue Proceeds under the separate heads in our company's balance sheet(s) clearly specifying the amount of and purpose for which Issue Proceeds have been utilized so far, and details of amounts out of the Issue Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilised Issue Proceeds. In the event that our company is unable to utilise the entire amount that we have currently estimated for use out of Issue Proceeds in a Fiscal Year, we will utilise such unutilised amount in the next financial year. Further, in accordance with Regulation 32(1) (a) of the Listing Regulations of our Company shall furnish to the Stock Exchange on a half yearly basis, a statement indicating material deviations, if any, in the utilisation of the Issue Proceeds for the objects stated in this Draft Prospectus.

### **Interim Use of Funds**

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

### **Variation in Objects**

In accordance with Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Issue without our Company being 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 Promoters 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 of the Issue will be paid by our Company as consideration to our Promoters, 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 ISSUE

### Terms of the Issue

The Equity Shares, now being issued, are subject to the terms and conditions of this Draft Prospectus, the Application form, the Memorandum and Articles of Association of our Company, the guidelines for listing of securities issued by the Government of India and SEBI (ICDR) Regulations, 2009, the Depositories Act, NSE, RBI, ROC and / or other authorities as in force on the date of the Issue and to the extent applicable.

In addition, the Equity Shares shall also be subject to such other conditions as may be incorporated in the Share Certificates, as per the SEBI (ICDR) Regulations, 2009 notifications and other regulations for the issue of capital and listing of securities laid down from time to time by the Government of India and/or other authorities and other documents that may be executed in respect of the Equity Shares.

### Approval for the Issue

The present Issue has been authorized pursuant to a resolution of our Board dated November 11, 2017 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 November 15, 2017.

### Other Details

<b>Face Value</b>	The Equity Shares having a face value of ₹ 10 each are being issued in terms of this Draft Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.
<b>Issue Price</b>	The Equity Shares pursuant to this Draft Prospectus are being issued at a price of ₹ 20 each.
<b>Market Lot and Trading Lot</b>	The Market lot and Trading lot for the Equity Share is 6,000 and in multiples of 6,000 thereafter; subject to a minimum allotment of 6,000 Equity Shares to the successful applicants.
<b>Terms of Payment</b>	Applications should be for a minimum of 6,000 Equity Shares and in multiples of 6,000 Equity Shares thereafter. The entire price of the equity shares of ₹ 20 per share (₹ 10 face value + ₹ 10 premium) is payable on application.  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 shall be subject to the Memorandum of Association and Articles of Association of our Company and shall rank <i>pari – passu</i> in all respects including dividends with the existing Equity Shares of our 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.

### Minimum Subscription

The requirement for 90% minimum subscription in terms of Regulation 14 of the ICDR Regulations is not applicable to the Issue. In terms of Regulation 106P (1) of the ICDR Regulations, this Issue 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 the Issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriters within sixty days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer becomes liable to pay the amount, the Issuer shall pay interest prescribed under Section 40 of the Companies Act, 2013.

## BASIS FOR ISSUE PRICE

The Issue 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 Issue Price is ₹20 per Equity Shares and is 2 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. 11, 139 and 84 respectively, of this Draft 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:

- ✓ Well educated and experienced management
- ✓ Group Synergies
- ✓ Strong Balance Sheet and Financial Condition
- ✓ Locational advantage of manufacturing unit

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

### Quantitative Factors

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

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

Year ended March 31,	Basic & Diluted EPS (in M)	Weight
2017	10.67	3
2016	1.37	2
2015	6.66	1
<b>Weighted Average</b>	<b>6.90</b>	

Basic and diluted EPS for the period ended November 15, 2017 was ` 0.72.

#### 2) Based on consolidated restated financials Basic and diluted Consolidated EPS for the period ended November 15, 2017 was ` 1.08

#### Notes:

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

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

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

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

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.

### 3) Price Earnings Ratio (P/E) in relation to the Issue price of ₹ 20 per share of ₹ 10 each

Particulars	P/E Ratios*
P/E ratio based on basic and diluted EPS as at March 31, 2017	1.87
P/E ratio based on basic and diluted weighted average EPS as at March 31, 2017	2.89

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

Year ended March 31	RoNW* (%)	Weight
2017	81.95%	3
2016	83.50%	2
2015	2,459.90%	1
<b>Weighted Average</b>	<b>478.79 %</b>	
<b>For November 15,2017 (Standalone)</b>	<b>0.58%**</b>	
<b>For November 15,2017 (Consolidated )</b>	<b>0.86%**</b>	

\*Since the company had carried forward losses during FY 2015 the RONW is skewed due to low net worth.

\*\*Not Annualised

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

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

### 5) Minimum Return on Net Worth (RoNW) after Issue needed to maintain the Pre-Issue Basic & diluted EPS of 10.67 for the FY 2016-17 (based on Restated Financials) at the Issue Price of ₹ 20 is 54.50%.

### 6) Net Asset Value (NAV)

Financial Year	NAV (in ₹)
NAV as at November 15, 2017	19.80
NAV as at March 31, 2017	0.13
NAV after Issue	19.57
Issue Price	20.00

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

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

### 7) Comparison with Industry peers

Particulars	Face Value (₹)	EPS (₹)	P/E Ratio <sup>(2)</sup>	RONW (%)	NAV (₹)
Rathi Bars Limited	10.00	0.59	35.84	1.30%	36.10
Kamdhenu Limited	10.00	4.20	50.13	8.50%	49.36
Narayani steels Limited.	10.00	2.25	16.67	5.38%	35.62
<i>Source: Annual Reports of F. Y. 2016-17 and price data available on BSE Ltd. (<a href="http://www.bseindia.com">www.bseindia.com</a>)</i>					
<b>Ashoka Metcast Limited</b>	10.00	10.67	1.87 <sup>(3)</sup>	81.95%	286.78
<i>Source: Restated Financials as on March 31, 2017</i>					

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

<sup>(2)</sup> Based on closing price of the stock as on March 31, 2017

<sup>(3)</sup> Calculated as Offer Price divided by the EPS as on March 31, 2017

- 8) The Company in consultation with the Lead Manager believes that the issue price of ₹ 20 per share for the Public Issue 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 Draft Prospectus to have more informed view about the investment proposition. The Face Value of the Equity Shares is ₹ 10 per share and the Issue Price is 2 times of the face value i.e. ₹ 20 per share.



## STATEMENT OF TAX BENEFITS

To,  
The Board of Directors,  
**Ashoka Metcast Limited**  
7th Floor, Ashoka Chambers,  
Opp. HCG Hospital,  
Mithakhali Six Roads,  
Mithakhali Ahmedabad- 380006,  
Gujarat, India

Dear Sirs,

### **Sub: Statement of possible special direct tax benefits available to Ashoka Metcast Limited and its shareholders**

We refer to the proposed initial public offer of equity shares of Ashoka Metcast Limited (**‘the Company’**) and enclose the statement showing the current position of special direct tax benefits available to the Company, and to its shareholders as per the provisions of the Income-tax Act, 1961 (**‘the Act’**) for inclusion in the Offer Document.

This statement is provided for general information purposes only and each investor is advised to consult its own tax consultant with respect to specific income tax implications arising out of participation in the issue.

Unless otherwise specified, sections referred below are sections of the Act. The benefits set out below are subject to conditions specified therein read with the Income Tax Rules, 1962, as amended from time to time, presently in force.

The benefits outlined in the enclosed statement based on the information and particulars provided by the Company are neither exhaustive nor conclusive.

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

- a) the Company or its shareholders will continue to obtain these benefits in future;
- b) the conditions prescribed for availing the benefits have been/would be met with; and
- c) the revenue authorities/courts will concur with the views expressed herein.

We hereby give our consent to include the enclosed statement regarding special direct tax benefits available to the Company and to its shareholders in the Offer Documents for the proposed initial public offer of equity shares issued under the Securities and Exchange Board of India (“SEBI”) (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended.

Yours faithfully,  
**For KEYUR BAVISHI & CO,**

**Chartered Accountants**  
**Firm’s Regn. No: 131191W**

Sd/-  
**CA. KEYUR DILIP BAVISHI**  
**Proprietor**  
**Membership number: 136571**

Date: November 28, 2017  
Place: Ahmedabad  
Encl: a/a

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## Annexure

Statement of possible special tax benefits available to Ashoka Metcast Limited (“**the Company**”) and to its shareholders.

### **Under the Income-tax Act, 1961 (“the Act”)**

#### **A. Special tax benefits available to the Company**

There are no special tax benefits available the Company.

#### **B. Special tax benefits available to the shareholders of the Company**

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

#### *Notes:*

1. The above is position as per the current tax law as amended by the Finance Act, 2017.
2. 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

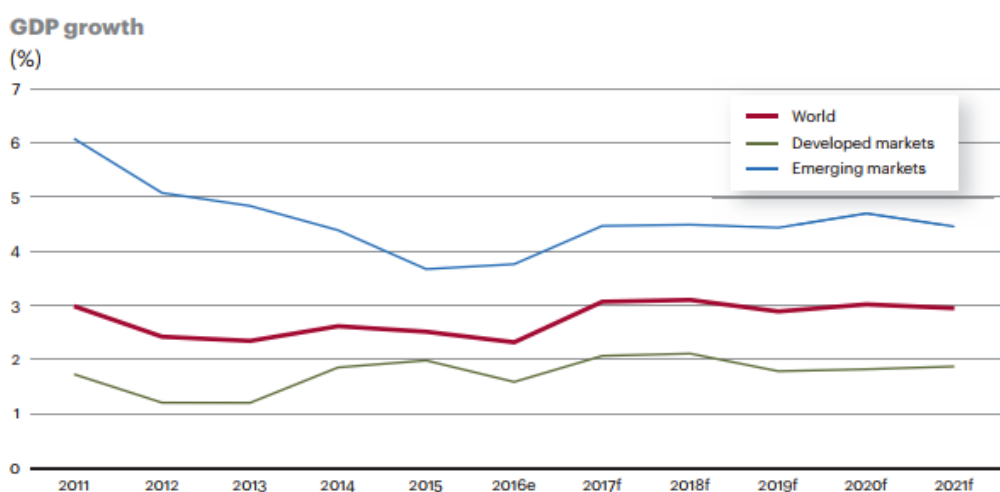
The information in this chapter has been extracted from the websites and publicly available documents from various sources. The data may have been re-classified by us for the purpose of presentation. Neither we nor any other person connected with this Offer has independently verified the information 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

#### Global Scenario

The global economy remains sluggish heading into 2018, 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 the 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.

(Source: [https://www.atkearney.com/web/the-purchasingchessboard/article/asset\\_publisher/9AufSQfJm6Y/content/global-economic-outlook-2017-2021-the-all-too-visible-hand/236833](https://www.atkearney.com/web/the-purchasingchessboard/article/asset_publisher/9AufSQfJm6Y/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 bank's 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, modernizing labor regulations and providing better education and skills. Better infrastructure, transport and logistics 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 INR trillion	Percentage changes, volume (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 zone. 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 utilization, 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>)

### ***Facts about Indian Industry:***

- As per forecast by International Monetary Fund (IMF) the Indian economy is expected to grow at 7.2 per cent in FY 2017-18.
- Foreign direct investment (FDI) inflows stood at US\$ 14.55 billion during April-June 2017.
- Mutual Funds asset base stood at ₹ 20.40 trillion (US\$ 314.16 billion) at the end of September 2017, as against Rs 19.52 trillion (US\$ 304.63 billion) at the end of June 2017.
- India's Index of Industrial Production (IIP) advanced by 4.9 per cent in August 2017, as against a rise of 2.6 per cent in July 2017. The cumulative IIP growth for April-August 2017 was 3 per cent over the same period in 2015-16.
- The eight key infrastructure sectors rose 5.2 per cent in September 2017 as against 4.4 per cent in August 2017, with coal exhibiting the maximum growth of 10.6 per cent. The cumulative growth during April-September 2017 increased by 3.3 per cent.
- Passenger vehicle sales increased 11.59 per cent year-on-year to 303,882 units in September 2017, as compared to 13.76 per cent year-on-year increase to 294,335 units in August 2017.
- India's current account deficit (CAD) expanded marginally to 2.4 per cent of gross domestic product (GDP) during April-June 2017, as against a deficit of 0.1 per cent during the same period of 2016-17. The current account deficit (CAD) for the financial year 2016-17 narrowed to 0.7 per cent of GDP, as against a deficit of 1.1 per cent in 2015-16.
- Total Merger and Acquisition (M&A) activity stood at US\$ 6.8 billion in June-September 2017.
- Total value of Private Equity (PE)/venture capital (VC) investments rose 180.6 per cent year-on-year to US\$ 8.7 billion in value terms in July-September 2017.  
(Source: <https://www.ibef.org/economy/indiasnapshot/facts-about-indian-economy>)

### **OVERVIEW OF GLOBAL STEEL INDUSTRY**

In 2016, the world crude steel production reached 1630 million tonnes (mt) and showed a growth of 0.6% over 2015. For the year 2016 China remained world's largest crude steel producer, producing 808 mt followed by Japan producing 105 mt, India producing 96 mt and USA producing 79 mt.

World Steel Association has projected Indian steel demand to grow by 6.1% in 2017 and by 7.1% in 2018 while globally, steel demand has been projected to grow by 1.3% in 2017 and by 0.9% in 2018. Chinese steel use is projected to show nil growth in 2017 and decline by 2% in 2018. Per capita finished steel consumption in 2016 is placed at 208 kg for world and 493 kg for China by World Steel Association.

Note: Data for the year 2016 is provisional

(Source: *World Steel Association report, World Steel in Figures, 2017*)

### **Structural Steel Market Analysis By Application (Non Residential (Industrial, Commercial, Offices, Institutional), Residential)), By Region, Competitive Landscape, And Segment Forecasts, 2014 – 2025**

The global structural steel market size was valued at USD 84.6 billion in 2015 and is projected to grow at a CAGR of 5.5% from 2016 to 2025. Strong recovery of construction industry in developed markets of the U.S., Germany and UK is a key factor driving market growth.

Steel sections such as I-beams, angles, channels and wide flanges are widely used in construction industry owing to their exceptional design flexibility and energy efficiency. Exponential technological advancements in industry for cost reduction and production maximization has fostered the demand of high performance structural steel.

**Application Insights:**

The market has been segmented into residential and non-residential segments. The non-residential emerged as the dominant application segment in 2015, owing to increasing demand for high-quality construction material in industrial, commercial, offices and institutional buildings.

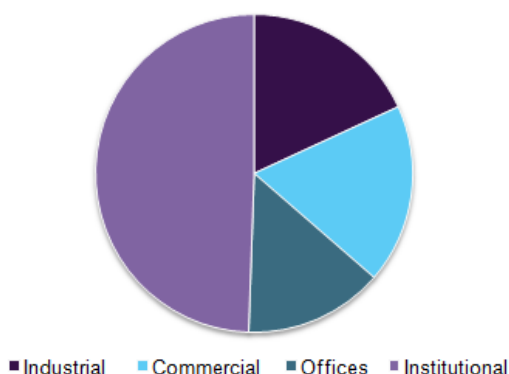
It is most commonly used in industrial building since the immense strength is beneficial not only for structural integrity but also for subsiding potential impact of repairs. It is also ideal for building large bridges owing to its high level of durability and excellent strength-to weight ration which ensures withstanding the weight of cars and pedestrians.

Emerging economies of Asia Pacific including Hong Kong and China have witnessed rapid growth rate in non-residential segment over the past few years owing to the adoption of specialized novel construction techniques such as design-and-build and reclamation methods.

A wide application scope in residential buildings ranging from a single family house to a mixed-space building is leading to augmented demand. The growing importance of environmental friendly products in various infrastructures has also propelled structural steel growth since it is 100% recyclable with no degradation.

Commercial buildings market is witnessing increased number of grocery, drugstore and ‘big box’ stores over the past few years owing to robust online sales coupled with extreme discounts. Increasing investment in public infrastructure and improvement in consumer as well as investors’ confidence further anticipated to boost the market growth in upcoming years.

**Structural steel market share by non-residential application 2015**



**Regional Insights:**

North Asia dominates the industry owing to, technological advancements, rapid industrial development, high GDP growth rates, and increasing construction spending. China is expected to emerge as the dominant country in the region due to population expansion along with high GDP growth. Increasing number of public-private partnership (PPP) projects are further expected to compliment the demand.

Favorable government policies including Make-in-India along with significant rise in foreign direct investments are likely to remain the key drivers of market growth in South Asian economies. The positive developments in regional economic conditions are likely to foster developments in the residential & housing sector over the forecast period.

North America is expected to grow at a CAGR of 3.4% over the forecast period. An increase in the number of building permits released by the U.S Census Bureau has led to a rise in the construction of residential and no-residential buildings. The industrial revival driven by the shale gas deposits in U.S and access to cheaper energy is also likely to positively influence demand.

**Competitive Insights:**

Key players include Arcelor Mittal S.A., Nippon Steel & Sumitomo Metal Corporation, Hebei Group, Baosteel Group Co., POSCO, Wuhan Group, Bohai Group, Tata Limited, Anshan Iron & Steel Group Corporation, Anyang Group Co. Ltd., Baogang Group, and Hyundai Steel Co. Ltd. (HSC Ltd.) among others.

HSC Ltd. announced completion of Steel Deformed (SD) 500 and SD 600 earthquake-proof reinforcing bars, manufactured first time in Korea. This innovation is considered to be a result of growing interest on earthquake-resistant reinforcing bars that delay the collapse of building structures and minimize damages when an earthquake hits.



Other prominent companies operating in the industry are also adopting various strategic initiatives including mergers & acquisition to gain a greater competitive advantage and escalate their geographic reach.

(Source : <https://www.grandviewresearch.com/industry-analysis/structural-steel-market>)

### **Infrastructure segment is projected to be the largest and fastest-growing segment of the steel rebars market by 2021**

The infrastructure segment is estimated to have accounted for a major share of the steel rebar market in 2016, followed by the housing, and industrial segments. The use of steel rebar increases the tensile strength of surrounding concrete structures in highways, bridges, and pillar structures. Increasing project counts of highway, bridges, and structural engineering are fueling the growth of the steel rebar market in the infrastructure segment.

Modernization and maintenance of infrastructure projects has led to the increasing demand for steel rebar. Increasing infrastructure projects across the globe, especially in the Asia-Pacific is another major factor, driving the growth of the steel rebar market during the forecast period.

### **Deformed steel segment is projected to be the largest and fastest growing segment in the steel rebar market by 2021**

The deformed steel bar segment is the largest and fastest-growing segment by type in the steel rebar market. Deformed bar, formed from carbon steel and provided with ridges for better mechanical anchoring in reinforced concrete, is used in applications such as reinforced concrete slabs, cages, columns, prefabricated beams, and precast products. This deformation of the bar helps in increasing the bond between materials and minimizes slippage in concrete, which is fueling the rapid growth of the deformed bar segment.

### **The steel rebar market in the Asia-Pacific region is projected to grow at the highest CAGR during the forecast period**

The Asia-Pacific steel rebar market is projected to grow at the highest CAGR between 2016 and 2021. Growth in this market is mainly attributed to the increasing steel rebar consumption in the construction industry. China and India are the key markets for steel rebar. China plans to invest around USD 720 billion in its infrastructural projects by the end of 2019. Similarly, there are a large number of infrastructural projects in the pipeline in India. In addition, strong policy initiatives such as the mandatory use of domestic steel in government infrastructural projects and ‘Make in India’ are expected to support the growth of the domestic steel rebar market.

Major market players covered in the report are ArcelorMittal (Luxembourg), Gerdau S.A (Brazil), Nippon Steel & Sumitomo Metal Corporation (Japan), Posco SS Vina, Co. Ltd (Vietnam), Steel Authority of India Limited (India), Tata Steel Ltd. (India), Essar Steel (India), Mechel PAO (Russia), EVRAZ plc (U.K.), Sohar Steel LLC (Oman), Celsa Steel UK (U.K.), Kobe Steel, Ltd. (Japan), Jiangsu Shagang Group Co., Ltd. (China), NJR Steel (South Africa), Commercial Metals Company (U.S.), The Conco Companies (U.S.), Barnes Reinforcing Industries (pty) Ltd (South Africa), Jindal Steel & Power Ltd. (India), Steel Dynamics, Inc. (U.S.), Steel Asia Manufacturing Corporation (Philippines), Outokumpu Oyj (Finland), Acerinox S.A. (Spain), Hyundai Steel Company (South Korea), Daido Steel Co., Ltd. (Japan), and Byer Steel Group Inc. (U.S.).

(Source: <https://www.marketsandmarkets.com/PressReleases/steel-rebar.asp>)

## **OVERVIEW OF INDIAN STEEL INDUSTRY**

### **Understanding the importance of steel**

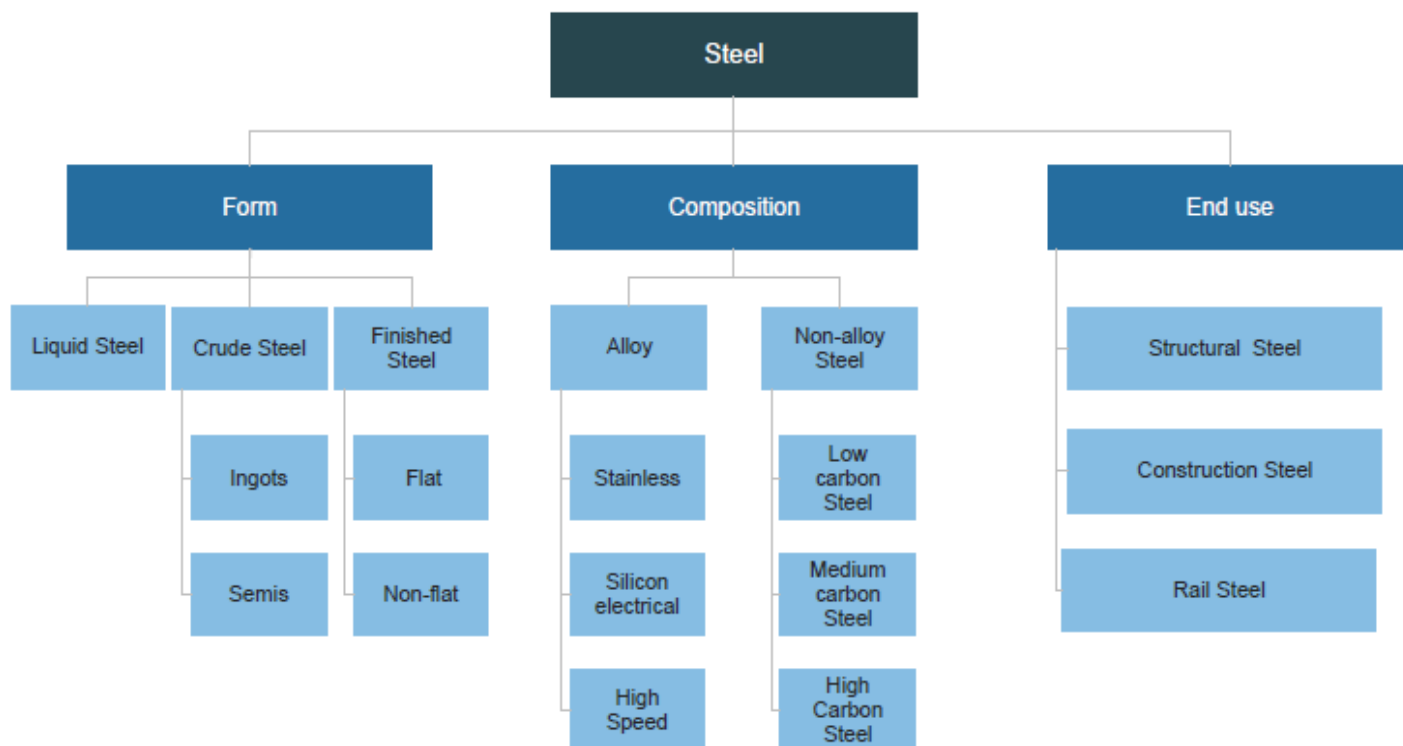
Steel is vital for any economy. In a lot of ways, steel consumption in an economy is a reflection of its health. It should not be a surprise that steel consumption fell by as much as 50% in some countries during the recession of 2008. We use steel in our daily lives. Its importance can be described in the following simple quote from the World Steel Association: “Steel everywhere in our lives.”

Steel producers. The steel industry can be accessed through steel producers such as ArcelorMittal (MT), U.S. Steel Corporation (X), AK Steel (AKS), Steel Dynamics (STLD), and Nucor (NUE).



Metal service centers. Metal service centers act as distributors for steel companies. These companies don't produce steel but procure it from steel producers. They then supply steel to end consumers. Service centers can provide custom shapes and sizes in smaller lot sizes, which steel producers cannot. ETFs. Retail investors can also get a diversified exposure to the metals industry through exchange-traded funds (or ETFs). Standard & Poors depositary receipt (or SPDR) S&P Metals and Mining ETF (XME) can give you a diversified exposure to the metals and mining industry.

### Structure of Steel Sector



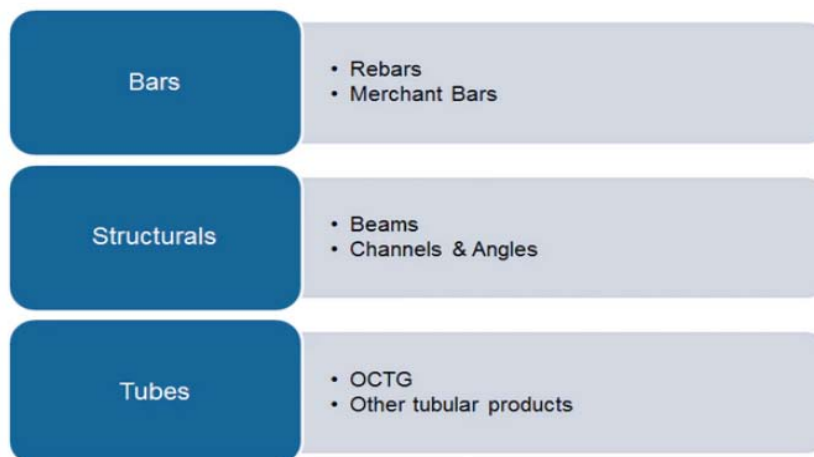
### Different Types of Structural Steel And Their Distinct End Use

#### *Steel shapes are based on demand*

Steel producers manufacture steel in several shapes according to demand from end consumers. Based on shape, steel products are widely grouped into two categories:

- I) Long Products and
- II) Flat Products.

### Different types of long steel products



#### I) LONG PRODUCTS:

Steel products known as “longs” include bars, tubes, structural sections, and wire products. The above chart shows the various types of long steel products. Each of these products has a distinct end use.

- Bars are generally divided into merchant bars and reinforcing bars (or rebars). Merchant bars are commonly used to manufacture fabricated products such as furniture. Rebars, on the other hand, are used to strengthen concrete in bridges, highways, and buildings. Rebars are used in the nonresidential construction industry. Please be aware that Nucor (NUE) is the largest supplier of steel products to the U.S. nonresidential construction industry. Currently, Nucor is a top holding of the Standard & Poors depository receipt (or SPDR) S&P Metals and Mining exchange-traded fund (or ETF) (XME).
- Tubular products are generally used for transportation of fluids. Another subcategory of tubular products is oil country tubular goods (or OCTG). The energy industry uses these products. The demand for OCTG in U.S. markets has been strong, backed by a booming oil and gas industry. U.S. Steel Corporation (X) is the largest supplier of OCTG in North American markets. This segment was reeling under the impact of imports. In August this year, the International Trade Commission (or ITC) ratified an antidumping duty on imports of OCTG products from nine countries.  
(Source: <http://marketrealist.com/2014/12/different-steel-types-distinct-end-use> )
- Structural products are mainly used in the construction industry. Beams, channels, and angles are common structural products. Structural steel describes a category of steel used as a construction material to make structural shapes. What are some of these uses, and what are some of the most common structures for which structural steel is used during construction.

#### COMMON USES OF STRUCTURAL STEEL IN CONSTRUCTION INDUSTRY:

##### 1) Large, Industrial Buildings:

Most high-rise buildings you see are designed using some kind of steel due to its low weight and great strength. For buildings under 500 feet, reinforced steel and concrete will generally be used. For skyscrapers over 500 feet, a steel frame is almost always part of the construction. Not only does steel act as one of the strongest possible foundations for these buildings, it’s perfect for construction due to its ease of use. Steel can be fabricated quickly, which allows for much quicker production. Combine that with its durability and relatively low cost compared to similar products, and you have the perfect product for larger projects.

## 2) Residential Buildings:

For residential buildings constructed using steel, a process called light gauge steel is used to maximize strength. Wooden 2x4s are replaced with steel, turning the building into a stronger and more dependable version of a traditional wooden-framed structure. Virtually any residence can be enhanced using this process.

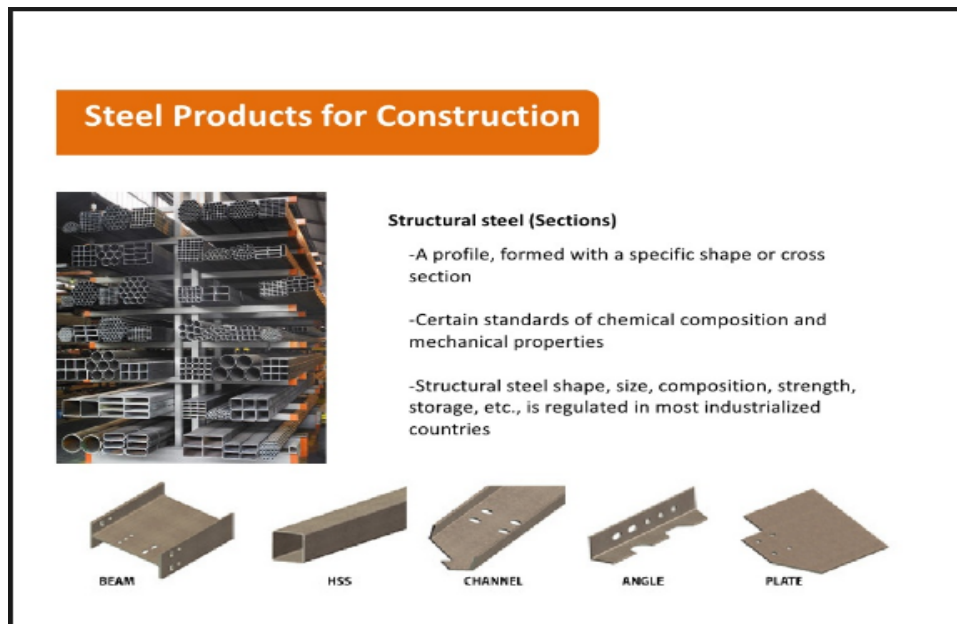
## 3) Parking Garages:

For some of the same reasons it's perfect for large buildings, steel is also perfect for parking structures. Low cost, shortened construction time and long-term durability are all attractive factors for a parking garage, as is the light weight and ease of construction steel provides.

## 4) Bridges

Steel's great strength-to-weight ratio makes it perfect for bridges, and its durability ensures that it can withstand the pressure a bridge undertakes. The Brooklyn Bridge is the oldest suspension bridge in the US at 127 years old, and unsurprisingly it uses mostly steel-wire suspensions.

(Source: <http://www.wasatchsteel.com/common-uses-structural-steel> )

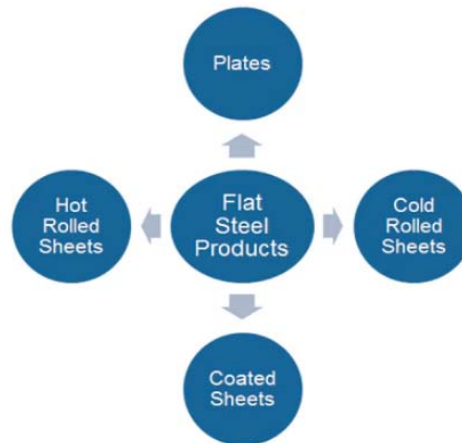


(Source: <https://www.slideshare.net/SteelBusinessBriefing/steel-construction>)

## II) FLAT STEEL PRODUCTS:

Flat steel products consist of sheets and plates. They are rolled from slabs, which are a semifinished steel product. These products are used in a wide range of industries such as automobile, domestic appliances, shipbuilding, and construction.

### Different Flat Steel Products



(Source: Industry Journals)

#### 1) *Hot rolled steel:*

Hot rolled (or HR) steel is produced at temperatures in excess of 1,000 degrees Fahrenheit. In this process, the metal is rolled in a hot strip mill. Due to the high temperature used in this process, recrystallization of steel takes place. This means that grains inside the metal deform during the process. Hot rolled steel has lesser strength compared to cold rolled steel. Hot rolled steel is more malleable, which means it can be cast into various shapes. The steel produced through this process generally has a width of 2 to 7 millimeters (or mm).

#### 2) *Cold rolled steel:*

Cold rolled (or CR) steel is produced generally at room temperature. Because the metal is not heated in the process, more pressure is applied through the rolls to give shape to the metal. Cold rolled steel has generally more precise dimensions compared to hot rolled steel because cold rolled steel doesn't melt during the process. Cold rolled steel is priced higher than hot rolled steel. Both these types have distinct uses. Since hot rolled steel sheets have larger dimensions than cold rolled sheets, they are used to form large-sized structures. Because of the steel's malleability and lower cost, hot rolled steel is more widely used in mass applications. These include construction, heavy equipment, and railroads. Cold rolled steel, on the other hand, is a finished version of steel. It is used when a better surface finish is required. Typical applications include automotive bodies.

#### 3) *Coated sheets:*

Coated sheets are a subcategory of cold rolled steel. Coated sheets are coated with aluminum and zinc. This enhances the anticorrosion properties of steel. As discussed previously, since steel is highly corrosive, it is mixed with other elements to enhance its quality.

(Source: <http://marketrealist.com/2014/12/different-steel-types-distinct-end-use> )

#### 4) *Plates:*

Plates are generally made to specific customer specifications. They are used in construction, shipbuilding, and industrial machinery. Plates are available in a wide range of grades and sizes. For use in building construction plate will normally be welded into fabricated sections. Normal plate sizes range from 5mm to 200mm thick, with widths up to 3.5m and lengths up to 18.0m. Plates with a nominal yield strength 275MPa or 355MPa can be supplied in either the as rolled, normalised or normalised rolled condition, and are rolled from continuously-cast slab. Close control of chemical composition is maintained to produce clean steels with consistent strength and toughness properties that meet all relevant national standards and state-of-the art levellers produce flat plates with controlled residual stress.

Steel plate is commonly used in many different and demanding applications including:

- Construction
- Earthmoving equipment
- Engineering and machinery
- Mining and quarrying
- Offshore oil, gas and pipelines
- Pressure vessels
- Renewable energy
- Ship building.

(Source: [https://www.steelconstruction.info/Steel\\_construction\\_products](https://www.steelconstruction.info/Steel_construction_products))

## Major Producers

Before economic reforms in 1991, steel production in India was concentrated among state-owned companies. Currently, private companies dominate crude steel production in India. The top 6 producers accounted for 68.6 million metric tons, or 72 percent of total 2016 production, based on available data

<b>India's Top Steel Producers in 2016</b>			
<b>Rank</b>	<b>Company</b>	<b>Production (mmt)</b>	<b>Main Products</b>
1	TATA Steel Group	24.5	Hot-rolled/cold-rolled coils and sheets, galvanized, tube
2	JSW Steel Limited	14.9	Hot-rolled coils, plates, sheets, galvanized
3	Steel Authority of India Ltd. (SAIL)	14.4	Flat, structural, rails, tubular
4	Essar Steel Group	7.5	Plates, pipes, cold-rolled, galvanized
5	Rashtriya Ispat Nigam Ltd (VIZAG Steel)	3.8	Specialty, wire rod, rebar, structural, rounds
6	Jindal Steel and Power Ltd (JSPL)	3.5	Rails, beams, coils, wire rod

Sources: World Steel Association; Hoovers; MarketLine

(<https://www.trade.gov/steel/countries/pdfs/2017/q1/imports-india.pdf>)

## Market Size of Steel Industry

India's crude steel output grew 10.7 per cent year-on-year to 25.76 million tonnes (MT) during January-March 2017. India's crude steel output during April 2017 grew by 5.4 per cent year-on-year to 8.107 MT. India's finished steel exports rose 102.1 per cent to 8.24 MT, while imports fell by 36.6 per cent to 7.42 MT in 2016-17. India's steel exports rose 142 per cent in April 2017 to 747,000 tonnes over April 2016, while imports fell by 23 per cent to 504,000 tonnes in April 2017 over April 2016. Total consumption of finished steel grew by 3.4 per cent year-on-year at 6.015 MT during April 2017.

## Investments in Steel Industry

Steel industry and its associated mining and metallurgy sectors have seen a number of major investments and developments in the recent past. According to the data released by Department of Industrial Policy and Promotion (DIPP), the Indian metallurgical industries attracted Foreign Direct Investments (FDI) to the tune of US\$ 10.33 billion in the period April 2000–March 2017.

Some of the major investments in the Indian steel industry are as follows:

- Jindal Stainless (Hisar) Limited, India's largest stainless steel producer, has entered into the defence sector by signing an agreement with Defence Research & Development Organisation (DRDO) to manufacture high nitrogen steel (HNS) for armour applications.

- JSW Steel Ltd plans to set up two plants of 10 million metric tonnes each in Odisha and Jharkhand, which would require an estimated investment of Rs 40,000 crore (US\$ 6.21 billion) per plant. The planned investments will double the company's production capacity to 40 million metric tonnes by 2030.
- Tata Steel has signed an agreement to purchase a majority 51 per cent stake in Creative Port Development (CPDPL), which has a concession agreement with the Odisha government to develop a 10 million-tonnes-per-annum (MTPA) Subarnarekha port at Chamukh village in Balasore district of Odisha.
- Arcelor Mittal SA is looking to set up a joint venture (JV) factory in India with state-owned Steel Authority of India Ltd (SAIL), to manufacture high-end steel products which could be used in defence and satellite industries.

### **Government Initiatives**

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

- Steel demand is set to rise in the coming period owing to increased public sector spending by the Government of India.
- The Union Cabinet, Government of India has approved the National Steel Policy (NSP) 2017, as it seeks to create a globally competitive steel industry in India. NSP 2017 targets 300 million tonnes (MT) steel-making capacity and 160 kgs per capita steel consumption by 2030.
- Metal Scrap Trade Corporation (MSTC) Limited and the Ministry of Steel have jointly launched an e-platform called 'MSTC Metal Mandi' under the 'Digital India' initiative, which will facilitate sale of finished and semi-finished steel products.
- The Ministry of Steel is facilitating setting up of an industry driven Steel Research and Technology Mission of India (SRTMI) in association with the public and private sector steel companies to spearhead research and development activities in the iron and steel industry at an initial corpus of Rs 200 crore (US\$ 30 million).

### **Road Ahead**

India is expected to overtake Japan to become the world's second largest steel producer soon, and aims to achieve 300 million tones of annual steel production by 2025-30.

India is expected to become the second largest steel producer in the world by 2018, based on increased capacity addition in anticipation of upcoming demand, and the new steel policy that has been approved by the Union Cabinet in May 2017 is expected to boost India's steel production.

Huge scope for growth is offered by India's comparatively low per capita steel consumption and the expected rise in consumption due to increased infrastructure construction and the thriving automobile and railways sectors.

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

### **REBAR MARKET:**

#### **Market Size**

The rebar with major diameters between 8mm and 25mm finds application in buildings, bridges, highways etc. With an estimated demand of around 35 million tonnes for 2015-16, the market is currently dominated by secondary producers with an estimated share of 70 percent. The overall annual demand of steel rebar in India has jumped significantly from 22.04 million tonnes reported in 2012-13. While the secondary producers manufacture rebars through processing of imported steel scrap, the primary producers manufacture it by using iron ore as the raw material.

Thus, along with demand of secondary producers, primary producers also gain momentum in rebar consumption across all consumer sectors. India had produced over 30.2 MT of bars and rods in FY14. Out of which, around 8.5 million tonnes was

contributed from primary manufacturers and about 21.5 million tonnes by secondary manufacturers. Indian re-bar industry production had increased by 2.3% in FY14 against FY13. As per an estimate, about 10 MT of additional capacity was planned by Re-bar industry across various regions of India. In this year, some of the secondary manufacturers brands have raised its totaled capacity by 0.64 million tonnes per annum. Chhattisgarh & Maharashtra are the two states that have been eyed as a centre for TMT production.

In these states, many additional capacities have been added at present. However, Kalika TMT and a secondary manufacturer Raipur Alloys & Steels are going to expand its capacities by 0.19 million tonnes per annum and 0.83 million tonnes per annum respectively in near future.

### **Historical Background**

The dominance of cold twisted deformed steel bars (CTD bars) in India since the early 70's of the last century was mainly due to the fact that most civil engineers at that time did not bother to check the vital parameters like yield strength, Ultimate Tensile Strength (UTS), elongation etc. while using CTD bars in reinforced cement concrete (RCC). The industrially developed countries had stopped the use of such CTD Bars by the start of 1970's. Then came the era of Thermo Mechanically Tested (TMT) Bars, which are even now being used by some civil engineers as they believe that these bars are of the specified grade Fe-415 as per 1786/1985 and are superior to the CTD bars which were being used earlier.

However, these so-called TMT Bars available in the market were being used earlier. However, these so-called TMT Bars available in the market were often found on testing to have yield strength of 350-390 N/mm<sup>2</sup> only. The usage of Reinforced Cement Concrete (RCC) has become the default standards for construction of residential and commercial structures, flyovers, bridges, water retaining structures, industrial and power plants, etc. Rebar constitute about 15-25 percent of the total materials cost for civil construction.

The Rebar industry has been a main steel product among the Finished Steel product categories. In 2009, the rebar accounted for about 35 percent of the total steel production in the country. The construction and infrastructure boom in the country in the past decade contributed to the rapid growth in the industry. The rebar industry is characterized by both primary and secondary players operating in the market. Integrated Steel Producers (ISPs) like SAIL, Tata Steel, JSW, that produce from the pure iron ore account for about 30 percent of the total rebar market.

The remaining 70 percent is catered by about 300-400 producers. Some of the leading secondary producers include Tulsyan, SRMB, Sujana etc. Medium and small players have regional presence catering to the demand in a particular region.

### **Commoditizing Rebar Markets**

Increased competition in the Rebar industry has resulted in the market becoming commoditized. Industry players in the last five years have focused more on marketing and branding of the product. Tata Steel is the pioneer in this aspect as the company has successfully branded its products, thereby, sustaining its leadership. In 2009-10, Tata Steel was also accorded the first Super Brand for this segment. Tata steel achieved a production of 1.56 million tons of TMT rebar becoming the largest TMT rebar manufacturer.

Stiff competition and better market penetration led to the development of value added steel rebars in India. Increased awareness on corrosion-protected and earthquake-resistant rebars and the benefits they offer in terms of longer structural life and lower life cycle cost has prompted developers to include them in their projects. Increased competition in the rebar market has compelled leading producers of rebars to look for branding and product differentiation. The value-added products have been actively promoted by these producers to sustain their leadership in the rebar market.

In recent years, the numbers of coastal projects have increased considerably. Projects such as ports, coastal thermal power stations, coastal buildings for commercial use, desalination plants, etc. are being implemented along the vast coastline of the country (both eastern and western coasts in the country). All these have increased the demand of corrosion-protected rebars

Hence, Corrosion Resistant Steel (CRS) rebars have the lowest life cycle cost among the existing rebar products available in the market over a structural lifespan of 50 years. For stainless steel, the life span is claimed to be 120 years. The distinct



advantages of CRS rebars include corrosion resistance and is improved while retaining the strength, toughness, ductility, and formability, thus increasing the structure lifespan, higher strength means lower tonnage requirement, thus reducing construction costs, CRS is not a coated material so it is unaffected by transport, handling or concrete pouring, so does not require any touch-up work. No extra precaution in handling and storage is required, better performance in the case of natural calamities like earthquake and fire and due to lower carbon equivalent, weldability is far superior compared to conventional rebars.

### **Fragmented Markets**

The Indian steel rebars market is highly fragmented and unorganized – more than 1,800 re-rollers (representing unorganized sector) are reported to be operating in India. Being volume driven business, rebar market is dominated by regional players due to high logistic expenses.

Eastern and western regions have the largest concentration of small re-rolling mills for steel rebars. The branded TMT bars have been introduced by most of the leading players (representing organized sector). The use of rebar grades and products has undergone remarkable changes in recent years. Though the IS: 1786 building codes specify only Fe-415 for reinforced concrete, its usage is declining as the market is shifting to higher grades. The construction industry has started adopting newer grades like Fe-500, Fe-550, and Fe-500D. Similarly, on the application side, too, rebar use has been moving toward higher value added products like corrosion resistant steel rebar, epoxy coated rebar, earthquake resistant rebar, galvanized rebar, etc.

Indian rebar markets is scattered into many large regional players serving local customers at either at par or a discount to the national level players. But, their acceptance among consumers is smooth resulting into their high business volumes. Many large and small players have strengthened their presence in regional markets making thereby entry of national level players difficult.

### **Branding in the Rebar Industry**

Increased competition in the Rebar industry has resulted in the market becoming commoditized. Industry players in the last five years have focused more on marketing and branding of the product. Tata Steel is the pioneer in this aspect as the company has successfully branded its products, thereby sustaining its leadership. In 2009-10, Tata Steel was also accorded the first superBrand for this segment. Tata steel achieved a production of 1.56 million tons of TMT rebar becoming the largest TMT rebar manufacturer. Other organized sector players including Jindals and Balmukund have claimed strong presence in rural markets.

### **Outlook**

With increased focus on urbanization, the rebar market is likely to witness a strong growth in coming years. Slow growth was recorded albeit temporarily after a slowdown in India economic growth in the past few years. Demonetisation of high value currency notes in November 2016 worsened the entire construction activity including demand of rebars in India. But, its impact has started subsiding with forecast of strong growth momentum to begin in near future. Global consultancy Frost & Sullivan forecast India's demand of rebars to hit 41.82 million tonnes by 2020-21 as shown below:

<b>DEMAND FORECAST OF STEEL REBARS</b>	
<b>FINANCIAL YEAR</b>	<b>QUANTITY (MT)</b>
2011-12	21.77
2012-13	22.04
2013-14	23.91
2014-15	25.90
2015-16	28.05
2016-17	30.39
2017-18	32.91
2018-19	35.65
2019-20	38.61
2020-21	41.82

Source : Frost & Sullivan Analysis

(Source: <http://steelworld.com/newsletter/2017/feb17/infocus0217.pdf>)

## OUR BUSINESS

*In addition to the information contained in this chapter, please also read the section titled “Risk Factors” in order to better understand the risks relevant in our business.*

### OUR OVERVIEW

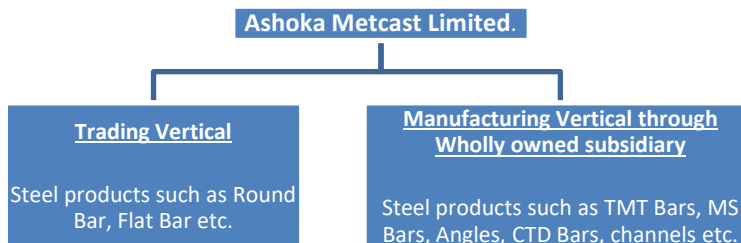
#### About our Group

Our company is part of Gujarat Based diversified business group currently promoted by Mr. Shalin Ashok Shah and Family. Our group has business interests in various sectors including Oil and Gas, Steel, Infrastructure, Electronic Equipments and Real Estate. Our flagship group company – Gujarat Natural resources Ltd. is engaged in the business of Oil & Gas exploration and production and currently has participating interests in 6 producing blocks in Cambay basin and is operator in four of these blocks. The company is listed on BSE and has a market capitalisation of around 125 crores. For further details of our promoters group and group companies please see “Promoters and Promoters Group” and “Group Companies” beginning on page 116 and 120 respectively of this Draft Prospectus.

#### About our company

Our company was incorporated as “Tanya Estates Pvt. Ltd.” on 29<sup>th</sup> July, 2009 with RoC, Gujarat. For details of our change in name as well as past business activities refer “History and Certain corporate matters” beginning on page no. 97 respectively of this Draft Prospectus.

Our company is currently engaged in trading and manufacturing of structural steel products like TMT bars, angles, channels, MS Bars etc. The business model of the company is as explained below:



The Company plans to leverage its group and promoter networks in the real estate and infrastructure space as well as strong balance sheet situation to increase its presence in the structural steel market of Gujarat and Western India. The company has commenced its trading operations in September 2017. The company is in the process of building a structural steel focused trading vertical as well as developing a strong team to cater to its proposed increased operational needs.

Further the company has recently acquired 100% stake in Shree Ghantakarna Rolling Mills Pvt. Ltd. (making it its wholly owned subsidiary company). Our subsidiary company owns a rolling mill having aggregate installed capacity of 12,000 tons; however the same has been non-operational for 16 years due to internal financial constraints as well as market conditions. Post acquisition we have begun the process of revamping as well as expanding its production facilities and we intend to begin its production in April 2018 with an aggregate installed capacity of 18,000 tons per annum.

As on November 30, 2017 our company employed 8 people on its payroll.

#### Our Strengths

*Well educated and experienced management*

Our senior management team is well educated and experienced in the trading and manufacturing industry of steel product. Our Promoter Director – Mr. Shalin Shah has completed his Civil Engineering from L.D. Engineering College, Ahmedabad and he has over two decades of multiple industry experience. We believe that our management team's experience and their understanding of the relevant business cycles will enable us take advantage of both current and future market opportunities. It is also expected to help us on addressing and mitigating various risks inherent in our business, including significant competition, reliance on independent agents, and fluctuations in prices.

### ***Group Synergies***

Our company is part of Gujarat Based diversified business group currently promoted by Mr. Shalin Ashok Shah and Family. Our group has business interests in various sectors including Oil and Gas, Steel, Infrastructure, Electronic Equipments and Real Estate. We believe that our interests and networks amongst the real estate and infrastructure space would help us identify sustainable business opportunities in our structural steel business.

### ***Strong Balance Sheet and Financial Condition***

We currently possess a unique balance sheet situation with low debt and high equity. Hence we can procure the goods by making upfront payments and take benefit of cash discount which will improve our profitability. We believe that we have the ability to leverage our balance sheet to take advantage of a favorable business cycle or market opportunity.

### ***Locational advantage of manufacturing unit***

Our manufacturing unit (proposed to be made operational through our wholly owned subsidiary) is located at around 40 kms from Ahmedabad at Industrial area of Kadi near Ahmedabad-Mehsana highway. Both Ahmedabad and Mehsana are big steel markets and thus the location is strategically advantageous. There are many steel industries nearby from where raw materials are easily made available. The location of the project is surrounded by states like Maharashtra, Rajasthan and Madhya Pradesh, which are producing sample quantity of iron and steel raw material. So, the basic raw materials for present as well as proposed products are all indigenously available at short notice and in required quantity and quality. The location of our plant is important for the smooth and economical operation of the industrial unit.

### **Our Strategies**

#### ***Improve our fund based capabilities to better exploit market conditions***

We have over the last few years begun the process of realigning our asset and liabilities and have recently changed our name and main objects. Our new business venture requires liquidity of funds to monetise the market opportunities in trading of structural steel products. We hence intend to raise funds from the IPO and ensure we have available liquidity and resources. Further we have recently begun the process of revamping as well as expanding its production facilities and we intend to begin its production in April 2018 with an aggregate installed capacity of 18,000 tons per annum. This plant revamp and expansion is also being part funded from the IPO Proceeds. For details of our fund requirements and proposed utilisations please see “Objects of the Issue” beginning on page 57 of this Draft Prospectus.

#### ***Develop relations with a larger pool of market participants***

We have begun our trading vertical in September 2017 itself and hence we have not yet developed a strong client base. Our strategy is to develop long-term relationships with existing and prospective clients by providing quality products in timely manner. We believe in developing relationships that go beyond one-time interaction. We are striving to focus our resources to develop and maintain new clientele as well as sustainable supplier chain.

#### ***Invest in technology and make the manufacturing unit strong supply partner for the trading vertical.***

Our subsidiary company has a rolling mill which has been non-operational for 16 years. we have recently begun the process of revamping as well as expanding its production facilities and we intend to begin its production in April 2018 with an aggregate installed capacity of 18,000 tons per annum. This plant revamp and expansion is also being part funded from the IPO Proceeds. For further details of the modernization and investments being made by the company please see “Objects of

the Issue” beginning on page 57 of this Draft Prospectus. Once operational our manufacturing unit will be a strong supply partner to the trading vertical.

***Focus on Structural Steel segment***

Our group companies are involved in the trading of various steel of products. However we intend to focus on “structural steel” product market. The global structural steel market size was valued at USD 84.6 billion in 2015 and is projected to grow at a CAGR of 5.5% from 2016 to 2025. Strong recovery of construction industry in developed markets of the U.S., Germany and UK is a key factor driving market growth. India’s finished steel exports rose 102.1 and 2016-17 Total consumption of finished steel grew by 3.4 per cent year-on-year at 6.015 MT during April 2017. Huge scope for growth is offered by India’s comparatively low per capita steel consumption and the expected rise in consumption due to increased infrastructure construction and the thriving automobile and railways sectors.

We believe that having a focus on this growing segment would provide us a competitive edge compared to other trading companies which deal in all steel products.

***Explore possibilities of geographical expansion of operations***

We intend to over time expand our business beyond the Gujarat market to the neighboring states of Maharashtra, Rajasthan and Madhya Pradesh. On infusion of additional funds, we intend to capitalize on our industry relations and further expand the reach of our product portfolio in these markets. We expect that systematic geographical expansion, matched with a continued focus on our competitive strengths, would help us in significantly improving our market share and drive growth.

**DETAILS OF OUR BUSINESS**

**Location**

***Registered and Corporate Office***

Our registered and corporate office is located at 7<sup>th</sup> Floor, Ashoka Chambers, Opp. HCG Hospital, Mithakhali Six Roads, Mithakhali, Ahmedabad, Gujarat - 380006.


***Manufacturing Facility***




We also propose to operate a single location Structural Steel manufacturing unit through our subsidiary company and the same is located at 189, Karannagar, Kadi-Kalol Road, Taluka Kadi, Dist. Mehsana, Gujarat - 382715

For further details of the respective ownership / rental arrangements of the above please refer to “Our Business – Properties” on page 84 of this Draft Prospectus.

**Products and Services**

We as well as wholly owned subsidiary company primarily deals in a wide array of steel products which are explained below-

Sr. No.	Name of the product	Description
1.	<p>TMT Bars</p> 	<p>TMT bars or Thermo-Mechanically Treated bars are high-strength reinforcement bars having a tough outer core and a soft inner core. TMT bars are one of them most important construction materials that are widely used for building homes, multi-storeyed high rise, bridges, flyovers and other civil engineering structures. This is because TMT bars ensures high strength to the structures and improve their longevity. The properties of TMT bars include super ductility, superior strength, and weld ability. Moreover, TMT bars are earthquake resistant. This makes them ideal for use in construction industry.</p>

2.	<p>Angles</p> 	<p>Angle bars are steel bars that are used as support for corners and outer rims that are used for various walls and surfaces. Angle bars are applied to surfaces using drilled fastening methods or through welding. Angle bars are usually L shaped, and when fitted together, can create inside angles and outside angles. These bars are used in order to offer a strengthened cross section or horizontal support to the structures being built. Without steel angle bars and steel reinforcement, a building's foundation will collapse due to the pressure that concrete alone creates. Angle bars are especially useful in protecting edges and corners in order for them to hold their shape.</p>
3.	<p>MS Bars</p> 	<p>Mild steel bars or MS Bars are used for tensile stress of RCC (Reinforced cement concrete) slab beams etc. in reinforced cement concrete work. These steel bars are plain in surface and are round sections of diameter from 6 to 50 mm. These rods are manufactured in long lengths and can be cut quickly and be bent easily without damage. Mild steel is used for remelting, alloying and manufacturing of fabrication of various structures. The Steel generally made of low Carbon and Silicon. The yield strength values are very low for Mild Steel; Therefore it is not used for special purpose of reinforcing and heavy structure manufacturing.</p>
4.	<p>Channels</p> 	<p>Steel channels are used ideally as supports and guide rails. These are roll-formed products. There are certain variations that are available in the channels category, the categorization is mainly on the shape of the channel, the varieties are- J Channels, Hat channels, U channels, Hemmed channels etc. The steel angles are used in construction, appliances, transportation, making signposts, used in wood flooring for athletic purposes, installing and making windows and doors.</p>

### **Key Processes**

#### ***Trading vertical business process***

The trading business vertical of the company is a B2B model and operates primarily on an agency basis wherein the goods are procured from suppliers on cash or least credit basis and supplied to customers on credit basis. The procurement of goods is carried out in a "order" basis so that there is not much gap between procurement and sales delivery thereby reducing our inventory holding times. Hence, the supply chain of goods in most cases is directly routed to our customer from the suppliers' locations as per our instructions in order to avoid duplication of logistic costs and overall improvement of margins in the trading cycle.

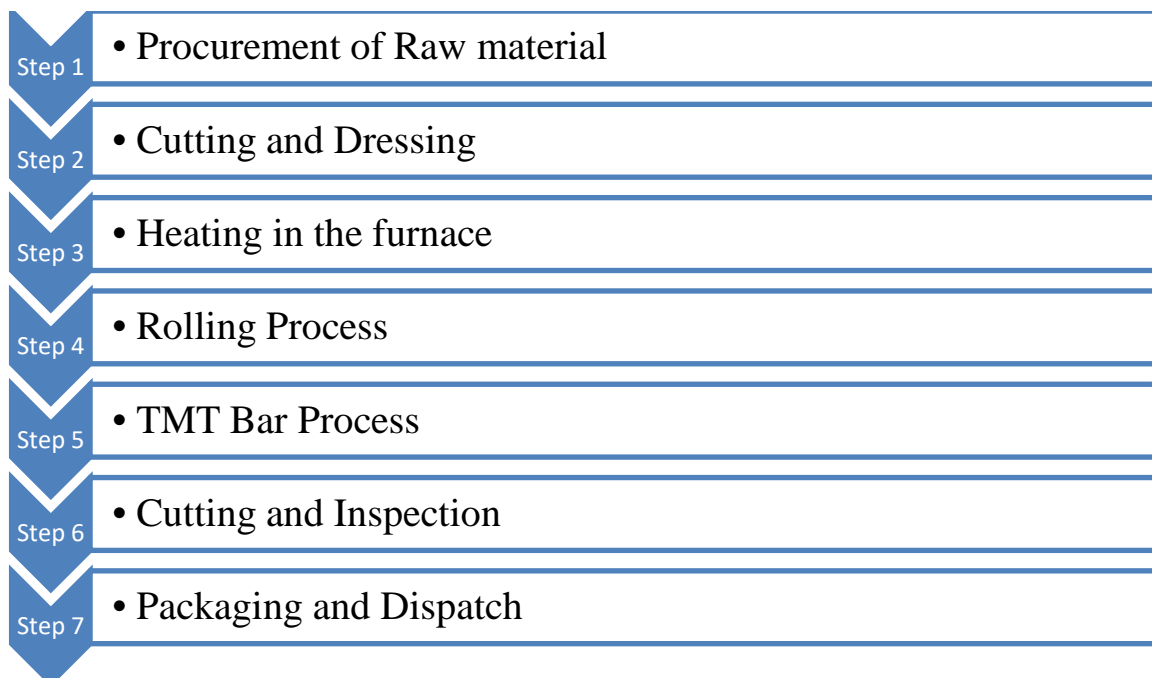
#### ***Manufacturing process (wholly owned subsidiary)***

We have recently acquired 100% stake in Shree Ghantakarna Rolling Mills Pvt. Ltd. (making it its wholly owned subsidiary company). Our subsidiary company owns a rolling mill having aggregate installed capacity of 12000 tons and has been non-operational for 16 years due to internal financial constraints as well as market conditions. Post acquisition we have begun the process of revamping as well as expanding its production facilities and we intend to begin its production in April, 2018 with aggregate capacity of 18,000 tons per annum.

The Company would manufacture Hot rolled steel long products such as angles, flats, rounds, channels as well as TMT bars/ etc of various sizes.

The Manufacturing process of the Company's various products can be divided into following stages: procurement of raw material, cutting of plates, Heating of billets, rolling of billets, quality testing, marking and packing and finally dispatching.

The process flow chart for manufacturing of TMT and other long product like angles, channels, rounds, flats, etc is as under:



- ✓ Raw Material Processing: The basic requirement is purchasing of raw materials such as Iron, M.S. Billets/ingots, M.S. Bars, etc for manufacturing of various products. If the raw materials meet the desired specifications then they are safely stored in the Raw Material Yard.
- ✓ Cutting of Plates: Purchased raw materials such as Billets and ingots are cut into plates of required size and weight. Cutting process begins after initial inspection of the raw materials. If it is not cut into fixed size then the output bars do not match with the desired size and therefore they have no value. Hence, market accuracy of the size of the bar is a must. A crane is used to transfer the raw materials after cutting to the furnace.
- ✓ Heating & Rolling Process: Cut plates are then heated till the required temperature in chamber running by lignite coal. The heated furnace warms the temperature of billets and converts them into red hot billets. The billets/blooms are placed on a conveyor belt which leads the billets to the furnace. Hot billets is converted into thick rolls as it is passed through a sequence of rolling machines which uses the tensile strength of steel to convert billets into hot long value added steel products. The rollers are adjusted accordingly for manufacturing of various dimensions of angles, flats, channels, rounds, etc.
- ✓ Cutting, Bending and Dispatching: Once the products are cooled, they are straightened and cut into desired lengths by means of cold shear. Final shape is given to the product by us as per the demand of particular segment. The post production process involves quality testing, tagging and marking. The final product is then packaged and dispatched for selling to the retailer.

### **Infrastructure**

Being a trading company our company on a standalone basis does not own any material plant and machinery. Further we do not have any such power or water or utilities requirements. However, our wholly owned subsidiary company's infrastructure details are as under:



### ***Plant and Machinery***

SGRMPL owns the following key plant and machinery:

<b>Sr. No.</b>	<b>Machinery</b>
1.	Rolling Mill Stand
2.	Pinion stand
3.	Reduction gear box
4.	Flywheel Assembly
5.	D.C. Electric Motor
6.	Heavy Duty Shearing Machine
7.	Flexible shearing M/c
8.	Conveyor Belt System
9.	Shearing Machine fitted on Conveyor belt
10.	Cooling Platform
11.	Oil Fired Reheating Furnace
12.	Spare Blower
13.	Pusher Machine Assembly
14.	Oil storage tank
15.	Underground water tank
16.	Water tank for reservoir
17.	Tube well
18.	Water Pump
19.	Oil Circuit Breaker
20.	Twisting Machine
21.	Lathe Machine 10 feet long
22.	Lathe Machine 12 feet long
23.	Shaping Machine
24.	Air Circuit Breaker
25.	K. W. Main transformer
26.	L&T make panel board for twisting machine
27.	High-tension Panel Board
28.	600KVAR capacitors
29.	Electric Motors
30.	Motor water resistance equipments

### ***Power***

Our manufacturing unit has adequate supply of power from the Uttar Gujrat Vij Company Ltd. with a sanctioned load of 475 KVA. However, since the plant is currently un-operational; we intend to revive it by carrying out its modernization and for the purposes of the same we have availed LT power connection of 13.33 KVA as on the date of this Draft Prospectus.

Our Subsidiary Company was under legal dispute with Uttar Gujrat Vij Company Limited and pursuant to that had filed special civil suit for recovery of electricity charges incurred at the factory site. Thereafter in 2002 electricity connection was discontinued at the factory site. Further, in 2012 State of Gujarat *vide* notification dated March 29, 2012 had declared Amnesty Scheme for settlement of outstanding claims of consumers. At that time our Subsidiary Company had applied for the Amnesty Scheme which was rejected by the UGVCL stating that the Subsidiary Company does not come under the said Scheme. In 2017, our Subsidiary Company again applied to the UGVCL to re-consider it for eligibility under the Scheme. Subsequently, our Subsidiary Company made the stipulated payment as required under the Scheme and eventually electricity connection shall be granted with a HT Load.

As on the date of this Draft Prospectus our Subsidiary Company is availed LT load of 13.33 KVA for carrying out modernization and overhauling of existing Plant and Machinery and for installation of new machinery at the factory site.

### **Water**

For manufacturing of TMT Bars water quenching is required. SGRM has its own borewell for all of its water requirements.

### **Capacity and Capacity Utilisations**

Since the plant has not been operational since few years; the historical capacity utilisation for last three years is NIL against a installed capacity of 12,000 tons per annum.

The forecasted capacity Utilisation details for the SGRM are as follows

(in Tons per annum)

<b>For The Financial Year</b>	<b>Particulars</b>	<b>Re-Rolled Products</b>
2018-19	Installed Capacity	18000 <sup>(1)</sup>
	Utilized Capacity	14400
	Utilized Capacity (%)	80%
2019-20	Installed Capacity	18000 <sup>(1)</sup>
	Utilized Capacity	16200
	Utilized Capacity (%)	90%
2020-21	Installed Capacity	18000 <sup>(1)</sup>
	Utilized Capacity	17100
	Utilized Capacity (%)	95%

<sup>(1)</sup> Primary Product will be TMT Bars. However, the Company can change the product to M.S.Angles/Round Bar as and when required in the same infrastructure with existing plant and machinery.

### **Raw Materials**

We would be manufacturing a wide variety of products like TMT bars, CD bars, Angles, channels etc. The basic raw materials required for manufacturing are Iron, MS Ingots, billets. Due to the strategic location of our manufacturing plant, we procure the raw materials locally. All these raw materials are procured from the market at the competitive prices. Being a trading company, we try to ensure the purchase has been made at a aggressive prices.

### **Our Customers**

Since we have started our steel trading operations in September 2017; our top 5 customers contribute to 100% of our revenue. Over time we intend to expand our customer base.

### **Export and Export Obligations**

There are no export obligations as on date of this Draft Prospectus.

### **Marketing Setup**

Our company relies on a relationship based business model. Our market efforts are headed by our promoter director – Shalin Shah and supported by our Sales and Marketing Head - Vishnubhai Chauhan. We operate on a credit basis and hence rely on existing relationships with market players and also get new relationships developed through efforts of our senior management. Over time we intend to increase commission based business generation in the future.

### **Collaboration**

Our Company has no collaborations.

### **Manpower**

As on 15<sup>th</sup> November,2017, we have a total of 8 employees. The following table provides a break-up of our employees:

Sr. No.	Category	No. Of Employees
1.	Director	01
2.	KMP	03
3.	Office Staff	04
<b>Total</b>		<b>08</b>

All the employees are permanent and are on our payroll.

Further our subsidiary, Shree Ghantakarna Rolling Mills Pvt. Ltd. employs 3 security personnel at the manufacturing unit currently. We intend to ramp up our manpower once the manufacturing plant modernisation and revamping process is nearly complete.

### **Intellectual Property**

We do not own any intellectual property as on date of this Draft Prospectus. However we are currently using



### **Property**

The details regarding our properties are mentioned below

#### ***Leasehold Property***

Sr. No.	Name of Licensee	Premises leased and area	Term of Lease	Amount of rent	Purpose/ current Usage
1.	Lesha Industries Ltd.	7 <sup>th</sup> Floor, Ashoka Chambers, Opp. HCG Hospital, Mithakhali Six Roads, Mithakhali, Ahmedabad, Gujarat - 380006.	11 months, commencing from 16/08/2017	₹. 1000/- per month	Shared Registered Office

#### ***Freehold Properties***

Our subsidiary company owns the following property:

Sr. No.	Location	Date of Agreement	Seller(s)	Purpose/ Current usage
1.	189, Karannagar, Kadi-Kalol Road, Taluka Kadi, Dist. Mehsana, Gujarat - 382715	August 07, 1984	Maheshbhai Shreebhai Desai & Anilaben Shreebhai Desai	Manufacturing Unit

### **Competition**

Steel being a global industry, we face competition from various domestic and international manufacturers and traders. Competition emerges from small as well as big players in the steel industry. The organized players in the industry compete

with each other by providing high quality, consistent and time bound products and value added services. We have a number of competitors offering products similar to us. We believe the principal elements of competition in our line of business are ready finance, consistent and quality products, prompt availability and strong relations with structural steel product market and especially TMT bars manufacturers & traders. We compete against our competitors by establishing ourselves as a knowledge-based trading and manufacturing company with cordial relations with various suppliers, which enables us to provide our customers with bulk quantities at reasonable rates to meet their requirements.

### **Insurance**

We do not have any insurance policies. Once our manufacturing plant modernization and revamping process is complete we shall be obtaining adequate insurance at that stage.

## KEY INDUSTRY REGULATIONS AND POLICIES

*In carrying on our business as described in the section titled “Our Business” on page no. 84 of this Draft 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. 198 of this Draft Prospectus.*

Our Company is primarily engaged in the business of development and sale of residential as well as commercial properties (the “Development Business”) and the development and leasing of commercial properties (the “Lease Business”). Our business is governed by various central and state legislations that regulate the substantive and procedural aspects of our business. We are required to obtain and regularly renew certain licenses/ registrations and / or permissions required statutorily under the provisions of various Central and State Government regulations, rules, bye laws, acts and policies.

Given below is a brief description of the certain relevant legislations that are currently applicable to the business carried on by us:

### **A. REGULATIONS GOVERNING MANUFACTURING SECTOR**

#### **The Steel and Steel Products (Quality Control) Order, 2012**

The Steel and Steel Products (Quality Control) Order, 2012, amended from time to time (‘Quality Control Order’), was passed in exercise of Section 14 of the Bureau of Indian Standard Act, 1986. The Quality Control Order provides that only those steel or steel products meeting the specified applicable standard of quality may be manufactured, sold or distributed by any person. The Quality Control Order provides that all steel or steel products not meeting the specified standards shall be disposed of as scrap as per the scheme of testing and inspection under the Bureau of India Standards Act, 1986. The Quality Control Order requires manufacturers of steel or steel products to apply for certification under the Bureau of Indian Standards Act, 1986. The Quality Control Order further provides for testing of samples bearing the Standard Mark, to confirm if they meet the specified as per the Bureau of Indian Standards Act, 1986.

#### **The Steel and Steel Products (Quality Control) Second Order, 2012**

The Steel and Steel Products (Quality Control) Order, 2012, amended from time to time (‘**Quality Control Second Order**’), was passed in exercise of Section 14 of the Bureau of Indian Standard Act, 1986. The Quality Control Second Order provides that no person shall sell, manufacture, distribute or store steel products specified in the schedule thereto unless the products contain a certification marks of the Bureau of Indian Standards by obtaining a certification marks license and conforming to the specified standards. However this does not apply to steel products manufactured for export which conform to the specifications of the foreign buyer.

#### **The Factories Act, 1948**

The Factories Act, 1948 (“**Factories Act**”) seeks to regulate labour employed in factories and makes provisions for the safety, health and welfare of the workers. The term ‘factory’, as defined under the Factories Act, means any premises which employs or has employed on any day in the previous 12 (twelve) months, 10 (ten) or more workers and in which any manufacturing process is carried on with the aid of power, or any premises wherein 20 (twenty) or more workmen are employed at any day during the preceding 12 (twelve) months and in which any manufacturing process is carried on without the aid of power. An occupier of a factory under the Factories Act, means the person who has ultimate control over the affairs of the factory. The occupier or manager of the factory is required to obtain a registration for the factory. The Factories Act also requires *inter alia* the maintenance of various registers dealing with safety, labour standards, holidays and extent of child labour including their conditions. Further, notice of accident or dangerous occurrence in the factory is to be provided to the inspector by the manager of the factory.

It is pertinent to note that State Governments have set out rules in respect of the prior submission of plans, their approval for the registration of the establishment, and licensing of factories. The Gujarat Factories Rules, 1963 (“**Rules**”) is applicable to the establishments of the Company. The Rules govern approval of plans, grant of licenses, safety procedures, working hours and conditions of workers.

### **The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.**

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (SHWW Act) provides for the protection of women at work place and prevention of sexual harassment at work place. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behavior namely, physical contact and advances or a demand or request for sexual favors or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature. The SHWW Act makes it mandatory for every employer of a work place to constitute Internal Complaints Committee which shall always be presided upon by a woman. It also provides for the manner and time period within which a complaint shall be made to the Internal Complaints Committee, i.e. a written complaint is to be made within a period of 3 (three) months from the date of the last incident. If the establishment has less than 10 (ten) employees, then the complaints from employees of such establishments as also complaints made against the employer himself shall be received by the Local Complaints Committee. The penalty for non-compliance with any provision of the SHWW Act shall be punishable with a fine extending to ₹. 50,000/-.

### **The Gujarat Shops & Establishments Act, 1948**

The Gujarat Shops & Establishments Act, 1948 provides for regulation of conditions of work and employment in shops, commercial establishments, residential hotels, restaurants and other places. It provides for registration of shops & commercial establishments. The act provides for regulation of working hours and conditions of workers employed in shops and commercial establishments.

### **Gujarat State Tax on Professions, Traders, Callings and Employments Act, 1976**

Gujarat State Tax on Professions, Traders, Callings and Employments Act, 1976 provides for levy of tax on profession, trades, callings and employment. It provides for registration of employer with the Local Authority. The Act provides for filing of returns & payment of tax by the Employer.

## **B. GENERAL LAWS**

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

The Companies Act, 2013, has been introduced to replace the existing Companies Act, 1956 in a phased manner. The Ministry of Corporate Affairs has vide its notification dated September 12, 2013 has notified 98 Sections of the Companies Act, 2013 and the same are applicable from the date of the aforesaid notification. A further 183 Sections have been notified on March 26, 2014 and have become applicable from April 1, 2014. The Companies (Amendment) Act, 2015 has *inter-alia* amended various Sections of the Companies Act, 2013 to take effect from May 29, 2015. Further, vide the Companies (Amendment) Act, 2015, Section 11 of the Companies Act, 2013 has been omitted and Section 76A has been inserted in the Companies Act, 2013. The Ministry of Corporate Affairs, has also issued rules complementary to the Companies Act, 2013 establishing the procedure to be followed by companies in order to comply with the substantive provisions of the Companies Act, 2013.

### **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 colors or any combination thereof. Section 18 of the Trademarks Act requires that any person claiming to be the proprietor of a trade mark used or proposed to be used by him, must apply for registration in writing to the registrar of trademarks. The trademark, once applied for and which is accepted by the Registrar of

Trademarks (“**the Registrar**”), is to be advertised in the trademarks journal by the Registrar. Oppositions, if any, are invited and, after satisfactory adjudications of the same, a certificate of registration is issued by the Registrar. The right to use the mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is 10 (ten) years, which may be renewed for similar periods on payment of a prescribed renewal fee.

### **The Micro, Small and Medium Enterprises Development Act, 2006**

The Micro, Small and Medium Enterprises Development Act, 2006 The Micro, Small and Medium Enterprises Development Act, 2006 as amended from time to time (“**MSMED Act**”) seeks to facilitate the development of micro, small and medium enterprises. The MSMED Act provides that where an enterprise is engaged in the manufacturing and production of goods pertaining to any industry specified in the first schedule to the Industries (Development and Regulation) Act, 1951. The MSMED Act provides for the memorandum of micro, small and medium enterprises to be submitted by the relevant enterprises to the prescribed authority. While it is compulsory for medium enterprises engaged in manufacturing to submit the memorandum, the submission of the memorandum by micro and small enterprises engaged in manufacturing is optional. The MSMED Act defines a supplier to mean a micro or small enterprise that has filed a memorandum with the concerned authorities. The MSMED Act ensures that the buyer of goods makes payment for the goods supplied to him immediately or before the date agreed upon between the buyer and supplier. The MSMED Act provides that the agreed period cannot exceed forty five days from the day of acceptance of goods. The MSMED Act also stipulates that in case the buyer fails to make payment to the supplier within the agreed period, then the buyer will be liable to pay compound interest at three times of the bank rate notified by the Reserve Bank of India from the date immediately following the date agreed upon. The MSMED Act also provides for the establishment of the Micro and Small Enterprises Facilitation Council (‘Council’). The Council has jurisdiction to act as an arbitrator or conciliator in a dispute between the supplier located within its jurisdiction and a buyer located anywhere in India.

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

The Consumer Protection Act, 1986 aims at providing better protection to the interests of consumers and for that purpose makes provisions for the establishment of authorities for the settlement of consumer disputes. The COPRA provides a mechanism for the consumer to file a complaint against a trader or service provider in cases of unfair trade practices, restrictive trade practices, defects in goods, deficiency in services; price charged being unlawful and goods being hazardous to life and safety when used. The COPRA provides for a three tier consumer grievance redressal mechanism at the national, state and district levels. Non-compliance of the orders of these authorities attracts criminal penalties.

## ***C. TAX RELATED LAWS***

### **Goods and Service Tax Act, 2017**

The Central Goods and Service Tax Act, 2017 was enacted by the Parliament on 12<sup>th</sup> April, 2017 and was made applicable with effect from 1<sup>st</sup> July, 2017. Goods and Service Tax covers all goods and services for levy of tax except exempted items. The trading of steel is covered under the framework of Goods and Service Tax. The object of the Act is to provide one tax format in the entire country based on consumption.

### **Income-Tax Act, 1961**

Income-tax Act, 1961 (“IT Act”) is applicable to every company, whether domestic or foreign whose income is taxable under the provisions of this Act or Rules made there under depending upon its ‘Residential Status’ and ‘Type of Income’ involved. Every assessee, under the IT Act which includes a company, is required to comply with the provisions thereof, including those relating to tax deduction at source, advance tax, minimum alternative tax and like.

## **REGULATIONS REGARDING FOREIGN INVESTMENT**

Foreign investment in steel wires industries/ companies is governed by the provisions of the FEMA read with the applicable regulations. The Department of Industrial Policy and Promotion (“DIPP”), Ministry of Commerce and Industry has issued ‘Consolidated FDI Policy Circular 1 of 2016’ (“**FDI Policy**”) which consolidates the policy framework on Foreign Direct Investment (“**FDI**”), with effect from June 7, 2016. The FDI Circular consolidates and subsumes all the press notes, press releases, and clarifications on FDI issued by DIPP till June 7, 2016. All the press notes, press releases, clarifications on FDI



issued by DIPP till June 6, 2016 stand rescinded as on June 7, 2016. Vide an Office Memorandum dated June 05, 2017 (“**Office Memorandum**”), issued by Ministry of Finance, Department of Economic Affairs the Government of India has abolished Foreign Investment Promotion Board (“**FIPB**”).

Foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the approval route, depending upon the sector in which foreign investment is sought to be made. Subsequent to the abolition of FIPB, the work of granting government approval for foreign investment under the FDI Policy and FEMA Regulations has now been entrusted to the concerned Administrative Ministries/Departments. FDI for the items or activities that cannot be brought in under the automatic route may be brought in through the approval route. Where FDI is allowed on an automatic basis without the approval of the Government, the RBI would continue to be the primary agency for the purposes of monitoring and regulating Foreign Investment. In cases where Government approval is obtained, no approval of the RBI is required except with respect to fixing the issuance price, although a declaration in the prescribed form, detailing the foreign investment, must be filed with the RBI once the foreign investment is made in the Indian company.

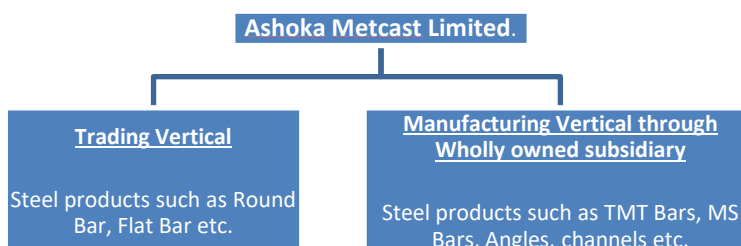
The RBI, in exercise of its power under the FEMA, has also notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000 to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. The FDI Policy 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 Issue. RBI has also issued the Master Circular on Foreign Investment in India dated July 01, 2015. The aforesaid Master Circular on Foreign Investment will continue to remain valid until Master Directions are issued in that behalf. In terms of the Master Circular, an Indian company may issue fresh shares to persons resident outside India (who are eligible to make investments in India, for which eligibility criteria are as prescribed). Such issue of shares shall be subject to interalia, the pricing guidelines prescribed under the Master Circular. As mentioned above, the Indian company making such issue of shares would be subject to the reporting requirements, interalia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

## HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was incorporated as “*Tanya Estate Private Limited*” on July 29, 2009 under the Companies Act, 1956 with the Registrar of Companies, Gujarat at Dadra and Nagar Haveli. The company had in its earlier years began to develop real estate, infrastructure and land plotting vertical; however; due to unforeseen circumstances and changes in market dynamics the real estate business division faced delays in execution of its plans and eventually could not complete the proposed acquisition and related plans. Hence the company was thereafter non-operative (from an operating income point of view) for since incorporation and has been over time looking to re-align its business model and financial allocations.

Vide resolution dated July 20,2017, our company has changed its main objects and the name was changed to The name of our Company was changed from “*Tanya Estate Private Limited*” to “*Ashoka Metcast Private Limited*” and a fresh certificate of incorporation was issued on September 13, 2017 by the Registrar of Companies, Gujarat at Dadra and Nagar Haveli. Further the status of our company was changed to a public limited company by a special resolution passed at a shareholders’ meeting on October 23, 2017. A fresh Certificate of Incorporation consequent upon conversion of company to public limited Company was issued on November 09, 2017 by the Registrar of Companies, Gujarat at Dadra and Nagar Haveli and consequently name of our Company was changed to “*Ashoka Metcast Limited*”. Our Company’s Corporate Identification Number is U70101GJ2009PLC057642.

Our company is currently engaged in trading and manufacturing of structural steel products like TMT bars, angles, channels, MS Bars etc. The business model of the company is as explained below:



The Company plans to leverage its group and promoter networks in the real estate and infrastructure space as well as strong balance sheet situation to increase its presence in the structural steel market of Gujarat and Western India. The company has commenced its trading operations in September 2017. The company is in the process of building a structural steel focussed trading vertical as well as developing a strong team to cater to its proposed increased operational needs.

Further the company has recently acquired 100% stake in Shree Ghantakarna Rolling Mills Pvt. Ltd. (making it its wholly owned subsidiary company). Our subsidiary company owns a rolling mill having aggregate installed capacity of 12,000 tons; however the same has been non-operational for 16 years due to internal financial constraints as well as market conditions. Post acquisition we have begun the process of revamping as well as expanding its production facilities and we intend to begin its production in April 2018 with an aggregate installed capacity of 18,000 tons per annum.

We operate from our Registered Office located at 7th Floor, Ashoka Chambers, Opp. HCG Hospital Mithkhali Six Roads, Mithakhali Ahmedabad- 380006, Gujarat, India.

Our revenue from operations, on a consolidated basis was ₹ 652.14lakhs for period ended November 15, 2017. Our EBITDA, on a consolidated basis was ₹ 6.75 lakhs for period ended November 15, 2017. Our profit for the period, on a consolidated basis, was ₹ 8.14 lakhs for period ended November 15, 2017.

For further details regarding our business operations, please see “*Our Business*” beginning on page no. 84 of this Draft Prospectus.

Our Company has 7 shareholders as on the date of filing of this Draft Prospectus.

## MAJOR EVENTS IN THE HISTORY OF OUR COMPANY

Year	Major Events / Achievements
2009	Incorporation of our Company as “Tanya Estate Private Limited” under Companies Act, 1956
2017	The name of our Company changed from “Tanya Estate Private Limited” to “Ashoka Metcast Private Limited”
	Acquired 100% stake in “Shree Ghantakarna Rolling Mills Private Limited”, making it as our wholly owned subsidiary company.
	Conversion of our Company from private to public i.e. from “Ashok Metcast Private Limited” to “Ashoka Metcast Limited”.

## MAIN OBJECTS AS PER MEMORANDUM OF ASSOCIATION

Our Company’s main object as per the Memorandum of Association is as follows:

- To carry on the business as promoters, organisers and developers of lands, buildings, shopping office complex, hotels and to deal with and improve such properties either as owner or as agents.*
- To carry on business of Information Technology and Information Technology related Entrepreneurial Resources Planning, Medica Transcriptions, E-Security, E-Business, Placements of IT Professionals. Remote Data Processing, IT Enabled Services, Internet, Internet facility Management, Management Systems, Software Developer, Software Training and Management Training, set up of Information Technology Institutes, to manufacture, Import, Export, buy, sell, develop or otherwise deal in all branches of Electronics, Computer Software and Hardwar, to run Data Processing / Computer Centres, to offer consultancy in Data Processing Systems. Telecommunication, Telecommunication related, communication systems, Satellite and Satellite related, Software and Software related, Network and Networking related, E-Commerce and E-Commerce related, develop new techniques for computer software and hardware technology and generally all business related to Electronics, computers, Computing, Information Technology and high Technology Products of all roads both in Indian and Overseas, water supply, sanitation, townships and other or properties which may seem calculated directly or advance the company’s and interest either in consideration of a gross sum of a rent charged in cash or services.*
- To carry on business of manufactures, importers, exporters, assemblers, hirers and repairers of and/or dealers in and marketing and distribution of all type of electronic equipments, their parts and accessories and spares thereof such as computers and computer peripherals, computer parts, data transmission circuit, audio visual equipments and industrial machinery and consumer electronics including radio receivers, television receivers, television picture, tubes, tape-recorders, record changers, professional and defense electronics, test and measuring instruments, musical instruments, digital and analytical instruments, electronic environmental and pollution measuring instruments, photocopying machines and other office equipments, electronic desk calculators, oscillaoscopes and associated instruments, process control systems, incidental control, medical electronic equipments, electronic devices, audio record/playback systems, closed circuit T.V., aerospace electronics, geo-science electronic, communication electronics and broadcasting electronics.*
- To carry on business as manufacturers, processors, re-rollers, refiners, smelters, converters, producers, exporters, importers, traders, dealers, distributors, stockiest, buyers, sellers, agents, or merchants in all kinds and forms of steel and iron casting, steel including mild, high carbon, spring, high speed, tool, alloys, stainless and special steel, iron, metals and alloys, ingots, billets, bars, joists, rods, squares, structurals, tubes, poles, pipes, sheets, wires, rails, rolling materials, rollers, other materials made wholly or partly of iron, steel, alloys and metals required in or used for industrials, agricultural, transport, commercial, domestic building, power transmission and or construction purposes.”*

## CHANGES IN REGISTERED OFFICE OF OUR COMPANY

The Registered Office of our Company at the time of incorporation was at 98, Lavanya Society, Vikas Gruh Road, Paldi, Ahmedabad- 380007. Then on August 05, 2017, our Registered Office was changed to 7th Floor, Ashoka Chambers, Opp. HCG Hospital Mithkhali Six Roads, Mithakhali Ahmedabad- 380006, Gujarat due to operational 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
July 20, 2017	<p>The Main Object clause of the MOA of our Company was amended by inserting Clause no. III(a)(2), III(a)(3), and III(a)(4) as under <i>“To carry on business of Information Technology and Information Technolos/ related Entrepreneurial Resources Planning, MedicaTranscriptions, E-Security, E-Business, Placements of IT Professionals. Remote Data processing, IT Enabled Services, Internet, Internet facility Management Management Systems, Software Developer, Software Training and Management Training, set up of Information Technolgr Institutes, to manufacture, Impolt Export, buy, sell, develop or otherwise deal in all branches of Electronics, Computer Software and Hardwar, to run Data processing / Computer Centres, to offer consultancy in Data Processing Systems. Telecommunication, Telecommunication related, communication systems, Satellite and Satellite related, Software and Software related, Network and Networking related, E-Commerce and Ecommerce related, develop new techniques for computer software and hardware technology and generally all business related to Electronics, computers, Computing, Information Technology and high Technology Products of all roads both in Indian and overseas, water supply, sanitation, townships and other or properties which may seem calculated directly or advance the company's and interest either in consideration of a gross sum of a rent charged in cash or services.”</i></p> <p><i>“To carry on business of manufactures, importers, exporters, assemblers, hirers and repairers of and/or dealers in and marketing and distribution of all type of electronic equipments, their parts and accessories and spares thereof such as computers and computer peripherals, computer parts, data transmission circuit, audio visual equipments and indust al machinery and consumer electronics including radio receivers, television receivers, television picture, tubes, tape-recorders, record changers, professional and defense electronics, test and measuring rnsrumentrs, musical instruments, digital and analjrtrical instruments, elect.onic environmental and pollution measuring instruments, photocopying machines and other office equrpmnts, electronic desk calculators, oscillaoscopes and associated instruments, process contro systems, incidental control, medical electronic equipments, electronic devices, audio record/playback systems, closed circuit T.V., aerospace electronics, geo-science electronic, communication electronics and broadcasting electronics.”</i></p> <p><i>“To carry on business as manufacturers, processors, re-rollers, refiners, smeltels. converlers/ producers, exporters, impolters, traders, dealers, distributors, stockiest, buyers, sellers, agents, or merchants in all kinds and forms of steel and iron castin&amp; steel including mild, high carbon, spring, high speed, tool, alloys, stainless and special steel, iron, metals and alloys, ingots, billets, bars, joists, rods, squares, structurals, tubes, poles, pipes, sheets, wires, rails, rolling materials, rollers, other materials made wholly or partly of iron, steel, alloys and metals required in or used for industrials, agricultural, transport, commercial, domestic building, power transmission and or construction purposes.”</i></p>
September 02, 2017	The name of our Company was changed from <i>“Tanya Estate Private Limited”</i> to <i>“Ashoka Metcast Private Limited”</i>
September 23, 2017	There was alteration in capital clause of MOA of our Company wherein the authorised share capital from increased from ₹ 1,00,000 to ₹ 11,00,00,000.
October 23, 2017	The name of our Company was changed from <i>“Ashoka Metcast Private Limited”</i> to <i>“Ashoka Metcast Limited”</i> Due to conversion from Private Limited to Public Limited.

## SUBSIDIARY

As on the date of this Draft Prospectus our Company has only one subsidiary which is Shree Ghantakarna Rolling Mills Private Limited. Our Company acquired 100% stake in Shree Ghantakarna Rolling Mills Private Limited on September 25, 2017 thus making it wholly owned subsidiary. The details of Shree Ghantakarna Rolling Mills Private Limited is mentioned below:-

### 1. SHREE GHANTAKARNA ROLLING MILLS PRIVATE LIMITED (“SGRMPL”)

#### *History and Brief Description:*

Shree Ghantakarna Rolling Mills Private Limited (“SGRMPL”) was incorporated on June 26, 1984 as “*Shivani Rolling Mills Private Limited*” under the Companies Act, 1956 with the Registrar of Companies, Gujarat at Dadra & Nagar Haveli. Then the name of the company changed from “*Shivani Rolling Mills Private Limited*” to “*Shree Ghantakarna Rolling Mills Private Limited*” on January 03, 1997 vide Fresh Certificate of Incorporation consequent on change of name issued by the Registrar of Companies, Gujarat at Dadra & Nagar Haveli. CIN of SGRMPL is U27100GJ1984PTC007041.

#### *Registered Office:*

The registered office of SGRMPL is situated at 7<sup>th</sup> Floor, Ashoka Chambers, Rasala Marg, Mithakhali, Ahmedabad-380006, Gujarat, India.

#### *Main Object:*

The main object of SGRMPL is:

- *To carry on business of manufacturers, processors, re-rollers, refiners, smelters, converters, producers, exporters, importers, traders, dealers, distributors, stockists, buyers, sellers, agents or merchants in all kinds and forms of steel and iron casting, steel including mild, high carbon, spring, high speed, tool, alloys, stainless and special steel, iron, metals and alloys, ingots, billets, bars, joists, rods, squares, structurals, tubes, poles, pipes, sheets, wires, rails, rolling materials, rollers, other materials made wholly or partly of iron, steel, alloys and metals required in or used for industrials, agricultural, transport, commercial, domestic building, power transmission and or construction purposes.*
- *To conduct and carry on the business relating to rolling, Re-rolling, casting, welding, extruding, forging, pressing, machining, polishing, finishing and process all kinds of metals and alloys including the production, assembly, import, export and dealing in all such processed, products, goods fully or partly from them.*
- *To carry on the business as manufacturers and dealers in all kinds of metal founders and in all kind of machineries, structures, plants, equipments, apparatuses, components, Rolling mills, furnaces and part of accessories of Rolling Mills connected therewith.”*

#### *Board of Directors:*

- Mr. Shalin Shah
- Mr. Ashok Shah

#### *Capital Structure:*

	(₹ in lakhs)
Particulars	Amount
Authorised Share Capital	400.00
Paid- up Share Capital	400.00

### Shareholding Pattern:

As on date of this Draft Prospectus, our Company holds entire paid up share capital of 4,00,000 equity shares of Rs. 100 each of SGRMPL.

### Financial Information:

The brief financial details of SGRMPL 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	Shares Capital Fully Paid	12.05	12.05	12.05
2	Reserves and Surplus	(83.66)	(54.22)	(39.42)
3	Networth	(71.61)	(42.17)	(27.37)
4	Income including Other Income	0.06	0.51	1.26
5	Profit/ (Loss) After Tax	(29.43)	(14.81)	(0.04)
6	Earnings Per Share (EPS) (F. V. ₹ 100/- each)	-	-	-
7	Net Asset Value (NAV) per Share	-	-	-

### Other disclosures:

- I. The equity shares of SGRMPL are not listed on any stock exchange;
- II. SGRMPL is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor is under winding up. Further, SGRMPL is having a negative net-worth in the immediately preceding year.
- III. No application has been made to RoC for striking off the name of SGRMPL;
- IV. SGRMPL 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 SGRMPL.

### ADOPTION OF NEW ARTICLES OF ASSOCIATION

Our Company has adopted a new set of Articles of Association of our Company, in the Extra-Ordinary General Meeting of our Company held on October 23, 2017.

### LOANS FROM BANKS / FINANCIAL INSTITUTIONS

As on the date of this Draft Prospectus our Company has not availed loan facilities from any banks and financial institutions.

### CAPITAL RAISING ACTIVITIES THROUGH EQUITY OR DEBT

For details of the equity capital raising by our Company, please refer to the chapter titled “Capital Structure” beginning on page no. 50 of this Draft Prospectus. Furthermore, in the past our Company's loans have been converted into equity.

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

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

### HOLDING COMPANY

As on the date of this Draft Prospectus, there is no Holding Company of our Company.

## **JOINT VENTURES**

As on the date of this Draft Prospectus, there are no joint ventures of our Company.

## **SHAREHOLDERS' AGREEMENT**

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

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 Draft Prospectus.

## **STRATEGIC PARTNERS**

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

Also, there are no material agreements entered into more than 2 years before the date of this Draft Prospectus. .

## **INJUNCTIONS OR RESTRAINING ORDERS**

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

## **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 Draft Prospectus. .

## **NUMBER OF SHAREHOLDERS / MEMBERS**

Our Company has 7 (seven) shareholders as on the date of this Draft Prospectus.

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

Our Company commenced its operations in the real estate sector after incorporation. However, due to non performance of business our management decided to shift the main activities of our Company from real estate to trading of steel products *vide* shareholders approval dated July 20, 2017.

## **CHANGE IN MANAGEMENT**

There has been no change in the management in last 3 years.

## **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 Draft 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 Draft 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 Draft Prospectus.

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

As on the date of this Draft 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 Draft 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 Draft Prospectus.

## OUR MANAGEMENT

### Board of Directors

Our Company has four (4) Directors consisting of One (1) Executive Director and Two (2) Non-Executive Independent Directors and One (1) Non Executive Non Independent Director. The following table sets forth the details of our Board of Directors as on the date of this Draft Prospectus:

Name, Current Designation, Address, Occupation, Term and DIN	Nationality	Age	Other Directorships
<p><b>Mr. Shalin Shah</b> (Managing Director)</p> <p><b>Address:</b> 98, Lavanya Society, Vikas Gruh Road, Paldi, Ahmedabad- 380007</p> <p><b>Date of appointment as Director:</b> July 29, 2009</p> <p><b>Date of appointment as Managing Director:</b> November 11, 2017</p> <p><b>Term:</b> Appointed as Managing Director for a period of 5 years from November 11, 2017 till November 10, 2022</p> <p><b>Occupation:</b> Business</p> <p><b>DIN:</b> 00297447</p>	American	44 years	<ul style="list-style-type: none"> <li>i. Ashnisha Industries Limited;</li> <li>ii. Gujarat Natural Resources Limited;</li> <li>iii. Lesha Industries Limited;</li> <li>iv. Lesha Agro Foods Private Limited;</li> <li>v. Shree Ghantakarna Rolling Mills Private Limited</li> </ul>
<p><b>Mr. Ashok Shah</b> (Non-Executive Non-Independent Director)</p> <p><b>Address:</b> 98, Lavanya Society, Vikas Gruh Road, Paldi, Ahmedabad- 380007</p> <p><b>Date of Appointment as Non-Executive Non-Independent Director:</b> October 23, 2017</p> <p><b>Term:</b> Appointed as Non-Executive Non-Independent Director and liable to retire by rotation.</p> <p><b>Occupation:</b> Business</p> <p><b>DIN:</b> 02467830</p>	American	73 Years	<ul style="list-style-type: none"> <li>i. Ashnisha Industries Limited;</li> <li>ii. Coe Infosystems Private Limited;</li> <li>iii. Gujarat Natural Resources Limited;</li> <li>iv. Lesha Industries Limited;</li> <li>v. Lesha Agro Foods Private Limited;</li> <li>vi. Shree Ghantakarna Rolling Mills Private Limited</li> </ul>
<p><b>Ms. Chitra Thaker</b> (Non-Executive Independent Director)</p> <p><b>Address:</b> 44-New HCF Quarters, AT-Mithapur, Dwarka- 361345, Gujarat</p> <p><b>Date of appointment as Non Executive Independent Director:</b> November 15, 2017</p> <p><b>Term:</b> Appointed as Non Executive Independent Director for a period of 5 years from November 15, 2017 till November 14, 2022.</p>	Indian	25 Years	Nil

Name, Current Designation, Address, Occupation, Term and DIN	Nationality	Age	Other Directorships
<b>Occupation:</b> Professional  <b>DIN:</b> 07911689			
<b>Ms. Payal Pandya</b> <i>(Non-Executive Independent Director)</i>  <b>Address:</b> A-302, Rajipa Avenue, Anandnagar Cross Roads, Vejalpur, Ahmedabad- 380015, Gujarat  <b>Date of Appointment as Non Executive Independent Director :</b> November 15, 2017  <b>Term:</b> Appointed as Non Executive Independent Director for a period of 5 years from November 15, 2017 till November 14, 2022.  <b>Occupation:</b> Professional  <b>DIN:</b> 07658223	Indian	29 Years	i. Gujarat Natural Resources Limited; ii. Lesha Industries Limited

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

#### RELATIONSHIP BETWEEN DIRECTORS

Mr. Shalin Shah is son of Mr. Ashok Shah. Except that none of the Directors of our Company are related to each other.

#### OTHER DISCLOSURES:

1. 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.
2. There is no service contracts entered into by the Directors with our Company providing for benefits upon termination of employment.
3. Mr. Shalin Shah, Mr. Ashok Shah and Ms. Payal Pandya are directors of a listed company during the last five years preceding the date of this Draft Prospectus, whose shares have been or were suspended from being traded on the BSE, during the term of their directorship in such company. The details of which are mentioned below:-

Particulars	Relevant Details
Name of the Company	Lesha Industries Limited
Listed on	BSE Limited
Date of Suspension on stock exchange	August 16, 2017
Suspended more than three months: Yes/No. If yes, reasons for suspension and period of suspension.	Lesha Industries Limited’s equity shares were suspended for approximately 4 months The suspension was not on account of any violations or penal actions but was due to procedural reasons pertaining to the on-going scheme of arrangement of Lesha Industries Limited. Record date for the scheme of arrangement was August 18, 2017.
Whether suspension revoked: Yes/No. If yes, date of revocation of suspension.	Date of revocation of suspension is December 12, 2017.

Particulars	Relevant Details
Term (along with relevant dates) of Director in the above company (ies).	<i>Term of Mr. Shalin Shah-</i> He is a promoter director
	<i>Term of Mr. Ashok Shah-</i> He is a promoter director and is liable to retire by rotation.
	<i>Term of Ms. Payal Pandya-</i> For a period of 5 years from November 14, 2016 till November 13, 2021.

4. 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.
5. None of the Directors is categorized as a wilful defaulter, as defined under SEBI (ICDR) Regulations.

## BRIEF BIOGRAPHIES OF OUR DIRECTORS

### Mr. Shalin Shah

Mr. Shalin Shah, aged 44 is the Managing Director and Promoter of our Company. He completed his Civil Engineering from L.D. Engineering College, Ahmedabad. He has more than 20 years' experience in various fields like trading, real estate, oil and gas exploration etc. and has vast exposure into the fields of management, finance, accounting, information technology and legal. Currently, he is also the Managing Director of Gujarat Natural Resources Limited, a BSE listed company engaged in the business of oil & gas exploration. He is also Promoter and Director of Shree Ghantakarna Rolling Mills Private Limited, our wholly owned Subsidiary and Lesha Industries Limited and other entities. He has been guiding force behind the growth and business strategy of our Company.

### Mr. Ashok Shah

Mr. Ashok Shah, aged 73 years, is the Non-Executive Non-Independent Director of our Company. He has obtained his Bachelor's Degree of Science in chemical engineering from University of Missouri, USA. He has over 40 years of experience in the fields of management and finance. He is also Promoter and Director of our other group companies and Shree Ghantakarna Rolling Mills Private Limited, our wholly owned Subsidiary. As an Non- Executive Non-Independent Director of the Company he is responsible for providing his expertise for growth and expansion of the Company.

### Ms. Chira Thaker

Ms. Chitra Thaker, aged 25 years, is the Non Executive Independent Director of our Company. She is a CS and is currently pursuing law from Gujarat University. She has over 2 years of experience in legal and compliance. Further, she is acting as full time company secretary of Vivanta Industries Limited. As an Independent Director of our Company she is responsible for providing her expertise in Administration, Management and compliance related matters of our Company and also provides inputs in corporate governance matters.

### Ms. Payal Pandya

Ms. Payal Pandya, aged 29 years, is the Non Executive Independent Director of our Company. She is a CS and a commerce graduate from Calcutta University. She has over 4 years of experience in compliance and accounts. Further, she is acting as full time company secretary of Anar Industries Limited and is also on board of listed entities viz: Lesha Industries Limited and Gujarat Natural Resources Limited. As an Independent Director of our Company she is responsible for providing her expertise in general administration, Management and compliance related matters of our Company and also provides inputs in corporate governance matters.

## Borrowing Powers of our Board of Directors

Our Company at its Extra-Ordinary General Meeting held on September 02, 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 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

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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 M 30 Crores Only.

## Remuneration of Executive Directors

### Mr. Shalin Shah (Managing Director)

Our Company has entered into an Agreement dated November 24, 2017 with Mr. Shalin Shah with regard to his appointment, his tenure and remuneration. The details of which is mentioned below:-

**Basic Salary:** He will not draw any salary from our Company.

**Benefits, Perquisites, Allowances:** Nil

No remuneration was paid to Mr. Shalin Shah in Fiscal 2017.

### Compensation of Non-Executive Directors by way of Sitting fees:

Pursuant to a resolution passed at the EGM held on November 15, 2017, it was approved by the shareholders of our Company that the Non-Executive Directors will not be paid sitting fee for attending any Board / committee meetings held during the year.

Further, no remuneration was paid to our Non-Executive Directors in Fiscal 2017 as well.

### Shareholding of Directors

The following table sets forth the shareholding of our Directors as on the date of this Draft Prospectus:

Name of Directors	No. of Equity Shares held	% of Pre-Issue Paid Up Capital
Mr. Shalin Shah	18,55,000	39.38%
Mr. Ashok Shah	5,00,000	10.62%
<b>Total Holding of Directors</b>	<b>23,55,000</b>	<b>50.00%</b>

### Shareholding of Directors in Subsidiary

Except Mr. Shalin Shah who holds 100 equity shares (only registered holder) none of our Directors hold any shares in our Subsidiary.

### Appointment of Relatives of our Directors to any office or place of profit

None of the relatives of our Directors are appointed to any office or place of profit.

### 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 Director, Member, and Promoter, pursuant to this issue. 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 XXIII- Related Party Transactions*” under section titled “*Financial Statements*” beginning on page nos. 104 and page no. 139 respectively of this Draft Prospectus, our Directors do not have any other interest in our business.

Except as disclosed in “*Properties*” within the section titled “*Our Business*” beginning on page no. 84 of this Draft Prospectus, our Directors have no interest in any property acquired by our Company within two years of the date of this Draft 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. Ashok Shah	October 23, 2017	Appointment as a Non- Executive Non-Independent Director
2	Mr. Shalin Shah	November 11, 2017	Change in designation to Managing Director
3	Mrs. Leena Shah	November 11, 2017	Resignation
4	Ms. Chitra Thaker	November 15, 2017	Appointment as an Independent Director
5	Ms. Payal Pandya	November 15, 2017	Appointment as an 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 four (4) Directors out of which two (2) are women directors. In compliance with the requirements of the Companies Act, we have one (1) Executive Director, and (1) one Non-Executive Non-Independent Director and (2) two 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:

- a) Audit Committee
- b) Stakeholder’s Relationship Committee
- c) Nomination and Remuneration Committee

#### 1. Audit Committee

The Audit Committee of our Board was constituted by our Board of Directors *vide* resolution dated November 16, 2017 pursuant to section 177 of the Companies Act, 2013. The Audit Committee comprises of:

Name of the Member	Nature of Directorship	Designation in Committee
Ms. Payal Pandya	Non-Executive & Independent Director	Chairperson
Ms. Chitra Thaker	Non-Executive & Independent Director	Member
Mr. Shalin Shah	Managing Director	Member

The Company Secretary of the Company will act as the Secretary of the Committee.



The scope of Audit Committee shall include but shall not be restricted to the following:

- 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.
- 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.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  1. 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
  2. Changes, if any, in accounting policies and practices and reasons for the same.
  3. Major accounting entries involving estimates based on the exercise of judgment by management.
  4. Significant adjustments made in the financial statements arising out of audit findings.
  5. Compliance with listing and other legal requirements relating to financial statements.
  6. Disclosure of any related party transactions.
  7. Qualifications in the draft audit report.
- Reviewing, with the management, the half yearly financial statements before submission to the board for approval
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/draft 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.
- Review and monitor the auditor’s independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussion with internal auditors any significant findings and follow up there on.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- To review the functioning of the Whistle Blower mechanism.
- Approval of appointment of 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.
- 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:*

1. To investigate any activity within its terms of reference
2. To seek information from any employee
3. To obtain outside legal or other professional advice
4. To secure attendance of outsiders with relevant expertise if it considers necessary
5. 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 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.

## **2. Stakeholder's Relationship Committee**

The Stakeholder's Relationship Committee of our Board was constituted by our Board of Directors pursuant to section 178 (5) of the Companies Act, 2013 vide resolution dated November 16, 2017. The Stakeholder's Relationship Committee comprises of:

Name of the Member	Nature of Directorship	Designation in Committee
Ms. Payal Pandya	Non-Executive & Independent Director	Chairperson
Ms. Chitra Thaker	Non-Executive & Independent Director	Member
Mr. Ashok Shah	Non-Executive & Non-Independent Director	Member

The Company Secretary of the Company will act as the Secretary of the Committee.

This committee will address all grievances of Shareholders/Investors and its terms of reference include the following:

- a) Allotment and listing of our shares in future.
- b) 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;
- c) 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;
- d) Reference to statutory and regulatory authorities regarding investor grievances;
- e) To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
- f) 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.

### 3. Nomination and Remuneration Committee

The Nomination and Remuneration Committee of our Board was constituted by our Board of Directors pursuant to section 178 of the Companies Act, 2013 *vide* resolution dated November 16, 2017. The Nomination and Remuneration Committee comprises of:-

The Nomination and Remuneration Committee currently comprises of:

Name of the Member	Nature of Directorship	Designation in Committee
Ms. Chitra Thaker	Non-Executive & Independent Director	Chairperson
Ms. Payal Pandya	Non-Executive & Independent Director	Member
Mr. Ashok Shah	Non-Executive & Non-Independent Director	Member

The scope of Nomination and Remuneration Committee shall include but shall not be restricted to the following:

- a) 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;
- b) Formulation of criteria for evaluation of Independent Directors and the Board;
- c) 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.

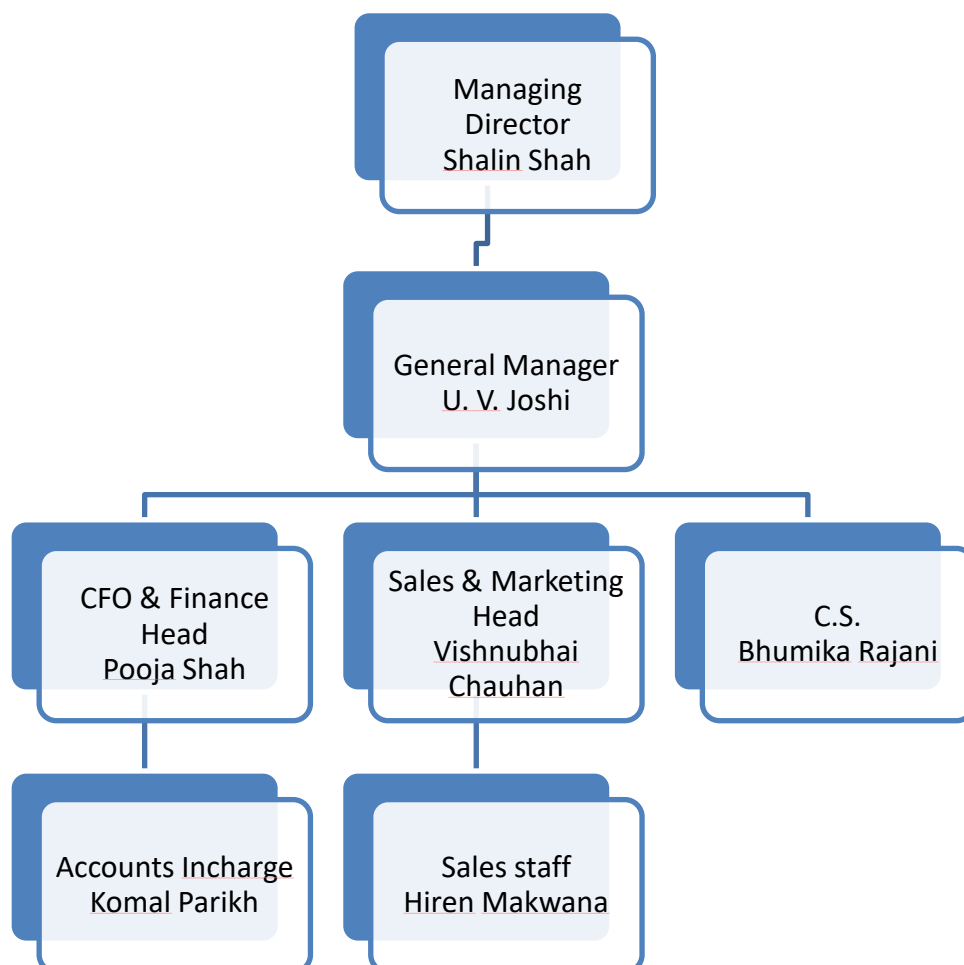
The Company Secretary of our Company acts as the Secretary to the Committee.

### 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 issue.

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.

### Organization Chart



## Key Managerial Personnel

The details of our key managerial personnel are as below –

Name of Employee	Designation & Functional Area	Date of Appointment	Compensation for Last Fiscal Year i.e. March 31, 2017 (₹ in lakhs)	Qualification	Name of Previous Employer(s)	Total years of Experience
Ms. Pooja Shah	Chief Financial Officer	November 11, 2017	N. A.	Pursuing CA, B.com	Nil	Nil
Ms. Bhumika Rajani	Company Secretary & Compliance Officer	November 11, 2017	N. A.	CS, B.com,	<ul style="list-style-type: none"> <li>CA Rajesh Dhruva</li> <li>Saurashtra Paper &amp; Board Mills Limited</li> </ul>	3.5 years
Mr. U. V. Joshi *	General Manager	September 01, 2017	N.A.	Metallurgical Engineer	<ul style="list-style-type: none"> <li>GNRL</li> <li>Maredia Steels Ltd.</li> </ul>	33 Years

\*Mr. U.V. Joshi is associated with our group since past 21 years. Prior to our company Mr. U. V. Joshi was associated with our Flagship Group Company GNRL.

### Other Notes

The aforementioned KMPs is 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 KMPs is related to each other.

### Relationship amongst the Key Managerial Personnel and Directors

None of the aforementioned KMP's are related to any of our Directors. Further, 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 Draft 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 Issue, 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

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 taken any loan from our Company as on the date of this Draft Prospectus.

**Employee Share Purchase and Employee Stock Option Scheme**

Presently, we do not have ESOP / ESPS scheme for employees.

**Payment or Benefit to our Officers of our Company.**

Except for the payment of salaries and yearly bonus, if any, we do not provide any other benefits to our employees.

**Details of Service Contracts of the Key Managerial Personnel**

Except for the terms set forth in the appointment letters, the Key Managerial Personnel have not entered into any other contractual arrangements with our Company for provision of benefits or payments of any amount upon termination of employment.

**Contingent or Deferred Compensation**

None of our KMPs has received or is entitled to any contingent or deferred compensation.

**Changes in the Key Managerial Personnel in the three years preceding the date of filing this Draft Prospectus**

Except as disclosed below, there has been no change in KMPs in past three years from the date of this Draft Prospectus:

<b>Sr. No.</b>	<b>Name of KMP's</b>	<b>Date of Change</b>	<b>Reason for change</b>
1.	Ms. Pooja Shah	November 11, 2017	Appointment as Chief Financial Officer
2.	Ms. Bhumika Rajani	November 11, 2017	Appointment as Company Secretary and Compliance Officer

## OUR PROMOTOR AND PROMOTOR GROUP


### THE PROMOTERS OF OUR COMPANY ARE:

1. Mr. Shalin Shah
2. Shalin A. Shah (HUF).

Details of our Promoters are provided below:-

#### 1. Mr. Shalin Shah (Individual Promoter)

The details of our Promoters are provided below:

MR. SHALIN SHAH		
	<b>PAN</b>	AEQPS9910M
	<b>Passport No</b>	441798232
	<b>Driver's License No</b>	GJ0119920021607
	<b>Voter's ID No</b>	N.A.
	<b>Name of Bank &amp; Branch</b>	ICICI Bank, Branch, Ashram Road Branch, Ahmedabad
	<b>Bank A/c No.</b>	018901530292

*For additional details of age, background, personal address, educational qualifications, experience, positions / posts, other ventures and Directorships held in the past of Mr. Shalin Shah, please see "Our Management" beginning on page no. 104 of this Draft Prospectus.*

*For details of the build-up of our Promoters' shareholding in our Company, please see "Capital Structure –Shareholding of our Promoters" beginning on page no. 50 of this Draft Prospectus.*

#### 2. Shalin A. Shah (HUF)

<b>Name</b>	Shalin A. Shah (HUF)
<b>Permanent Account Number</b>	AATHS7114N
<b>Address</b>	98, Lavanya Society, Vikas Gruh Road, Paldi, Ahmedabad- 380007, Gujarat
<b>Name of the Bank and Branch</b>	ICICI Bank, Ashram Road Branch, Ahmedabad
<b>Bank Account Number</b>	018901011502

#### Brief Description

Mr. Shalin Shah is karta of Shalin A. Shah (HUF). Mrs. Payal Shah, Ms. Rhea Shah and Ms. Tanya Shah are the parceners of Shalin A. Shah (HUF). Shalin A. Shah (HUF) currently holds 17,95,000 Equity Shares of our Company, which constitutes 38.11% of our Pre-Issue paid up Share Capital. The post- Issue Shareholding will be 16.76%. For details of the build-up of Shalin A. Shah (HUF)'s shareholding in our Company, please see "Capital Structure-Shareholding of our Promoters" beginning on page no. 50 of this Draft Prospectus.

#### Other disclosures:

- Since Shalin A. Shah (HUF) is not a company disclosures pertaining to the sick company, winding up, striking off name is not applicable.
- Shalin A. Shah (HUF) is not prohibited from accessing the capital markets for any reasons by the SEBI or any other authorities.



- Karta or parceners of Shalin A. Shah (HUF) have not been declared as wilful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past and no proceedings pertaining to such penalties are pending against them.
- Neither Karta nor parceners of Shalin A. Shah (HUF) have been prohibited from accessing the capital markets under any order or direction passed by SEBI or any other authority.
- No show cause notice has been issued or no prosecution proceeding have been initiated by SEBI against Shalin A. Shah (HUF).
- Shalin A. Shah (HUF) will not subscribe to the IPO of our Company.
- There are no defaults in meeting any statutory/bank/institutional dues and no proceedings have been initialled for economic offences against Shalin A. Shah (HUF).

### **Other Undertakings and Confirmations**

We confirm that the Permanent Account Number, Bank Account number and Passport number of our Promoters will be submitted to BSE 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 any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI.

Further, no violations of securities laws have been committed by our Promoters and Promoter Group in the past or are currently pending against them.

None of our Promoters and our Promoter Group, 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 have any interest in our Company except to the extent of compensation payable / paid, reimbursement of expenses (if applicable), payment received with respect to unsecured loans given to our Company 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 please see “*Capital Structure*”, “*Financial Information*” and “*Our Management*” beginning on page nos. 50, 139 and 104 respectively of this Draft Prospectus.

Except as stated otherwise in this Draft 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 Promoters**

Our Promoters have varied business interests in other sectors including trading. They regularly invest in properties, land etc. through other ventures or in their personal capacity. We have not signed any Non-Compete agreement with our Promoters and hence there exists a potential conflict of interest with the ventures or business interests of our Promoters and Promoter Group within the trading sector.

### **Companies with which the Promoters has disassociated in the last three years**

Our Individual Promoter has not disassociated himself from any companies, firms or entities during the last three years preceding the date of this Draft Prospectus.

### **Payment of Amounts or Benefits to the Promoters or Promoters Group during the last two years**

Except as stated in “Annexure XXIII – Statement of Related Party Transactions” under chapter titled “Financial Statements” beginning on page no. 139 of this Draft Prospectus, there has been no payment of benefits to our Promoters during the two years preceding the date of this Draft 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 of our Individual Promoter 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 this Draft Prospectus or proposed to be acquired by our Company as on the date of this Draft Prospectus. For details, please see “Our Business”, “Risk Factors” and “Financial Information” beginning on page nos. 84, 11 and 139 respectively of this Draft Prospectus.

Further, other than as mentioned in the chapter titled “Business Overview”, our Promoters do not have any interest in any transactions in the acquisition of land or construction of any building.

### **Interest of Promoters in our Company other than as Promoters**

Except as mentioned in this section and the chapters titled “Capital Structure”, “Business Overview”, “History and Certain Corporate matters” and “Annexure XXIII – Statement of Related Party Transactions” under chapter titled “Financial Statements” beginning on page nos. 50, 84, 97 and 139 of this Draft Prospectus, respectively, our Promoters do not have any interest in our Company other than as Promoters.

### **Related Party Transactions**

Our Promoters may deem to be interested in our Company to the extent of their shareholding / interest in group companies/ ventures promoted by them with which our Company transacts during the course of its operations. Except as stated in the “Annexure XXIII – Statement of Related Party Transactions” under chapter titled “Financial Statements” beginning on page no. 139 of this Draft Prospectus, our Company has not entered into related party transactions with our Promoters or our Group Companies.

### **Shareholding of the Promoter Group in our Company**

For details of shareholding of members of our Promoter Group as on the date of this Draft Prospectus, please see “Capital Structure – Shareholding of our Promoters” beginning on page no. 50 of this Draft 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 XXIII – Statement of Related Party Transactions” under chapter titled “Financial Statements” on page no. 139 of this Draft 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. 11 and 184 respectively of this Draft Prospectus.

### **Our Promoter Group**

Apart from our Promoters, as per Regulation 2(1)(zb) of the SEBI (ICDR) Regulation, 2009, the following individuals and entities shall form part of our Promoters Group:

**A. Natural Persons who are Part of the Promoter Group**

Name of the Promoters	Name of the Relative	Relationship with the Promoter
<b>Mr. Shalin Shah</b>	Mr. Ashok Shah	Father
	Mrs. Leena Shah	Mother
	Mrs. Payal Shah	Wife
	-	Brother
	Mrs. Shivani Benani	Sister
	Ms. Tanya Shah	Daughter
	Ms. Rhea Shah	
	-	Son
	(Late) Dipak Nagersheth	Wife's Father
	(Late) Naina Nagersheth	Wife's Mother
	Mr. Prit D. Nagersheth	Wife's Brother(s)
	-	Wife's Sister(s)

**B. Companies / Corporate Entities forming part of the Promoter Group**

As per Regulation 2(1)(zb)(iv) of the SEBI (ICDR) Regulations, 2009, the following Companies / HUFs shall form part of our Promoter Group:

Sr. No.	Name of Promoter Group Entity / Company
1	Ashnisha Industries Limited
2	EZI Ventures Private Limited*
3	Gujarat Natural Resources Limited
4	India Infraspace Limited*
5	Lesha Agro Foods Private Limited
6	Lesha Industries Limited
7	Shalin A. Shah (HUF)

*\*These companies are part of our promoter group by virtue of the share holding as per Regulation 2(1)(zb)(iv)(B) of the SEBI ICDR Regulation, 2009, However our promoter does not have any significant influence or control over these companies.*

## OUR GROUP COMPANIES

In terms of SEBI Regulations and in terms of the policy of materiality defined by the Board pursuant to its resolution dated November 16, 2017, our Group Companies include (a) those companies disclosed as related parties in accordance with Accounting Standard (“AS 18”) Issued by the Institute of Chartered Accountants of India, in Restated Financial Statements of the Company and (b) our Company has entered into one or more transactions with such company in the last audited financial year, cumulatively exceeding 1% of the total revenue of our company for the last audited financial year (c) all companies in which we are holding more than 20% of their shareholding.

Accordingly following are forming part of our Group Companies:-

### A. Listed Group Companies

1. Gujarat Natural Resources Limited
2. Lesha Industries Limited

### B. Listed Associate Company

3. Vivanza Biosciences Limited

### C. Unlisted Group Companies

4. Ashnisha Industries Limited
5. Lesha Agro Foods Private Limited

## DETAILS OF OUR GROUP COMPANIES:

### 1. Gujarat Natural Resources Limited (“GNRL”)

#### Corporate Information

Gujarat Natural Resources Limited (“GNRL”) was incorporated as “Lesha Steels Limited” under the Companies Act, 1956 on August 23, 1991 with the Registrar of Companies, Gujarat at Dadra & Nagar Haveli. The company was issued certificate for commencement of business on June 24, 1992 by the Registrar of Companies, Gujarat at Dadra & Nagar Haveli. Then there was change of name of the company from “Lesha Steels Limited” to “Lesha Energy Resources Limited” on March 13, 2008 vide certificate of incorporation pursuant to change of name issued by the Registrar of Companies, Gujarat, Dadra & Nagar Haveli. Further, there was again change of name of the company from “Lesha Energy Resources Limited” to “Gujarat Natural Resources Limited” on March 23, 2010 vide certificate of incorporation pursuant to change of name issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. GNRL’s CIN is L27100GJ1991PLC016158.

#### Main Objects

The main object of GNRL is:

*“To carry on in India or elsewhere either alone or jointly in financial or technical collaboration the business to explore, extract, excavate, procure, produce, pump, refine, purify, store, research, prepare, promote, prospect, process, grade, split, remove, amalgamate, barter, convert, clean, commercialize, compound, distribute, discover, handle, import, export, buy, sell, market, organize, manage, protect, provide, vaporize, condense, concentrate, dilute, mix and to act as agent, broker, stockiest, clearing & forwarding agent, transporter, consultant, engineering contractor, advisor, job worker, export house or otherwise to deal in all sorts of crude, and refine petroleum oils, natural gases, oleaginous and saponaceous substances, their products by-products, residues, ingredients, derivatives, formulations, blends, mixtures, goods and materials; and engage in operating, providing, running, chartering of ships, vessels, drilling rigs, machines and equipments and to do offshore drilling, repair and reconditioning of tubulars, to provide oilfield services such as mud logging, cementing, mud*

*engineering, wire lining and to take contracts for prospecting, searching and exploring oil fields, gas fields and other mineral oils and gases and to do all incidental acts and things necessary for the attainment of these objects.”*

### **Registered Office**

GNRL’s registered office is situated at 8, Sigma Corporate, near Mann Party plot, S.G. Highway, Bodakdev, Ahmedabad-380054, Gujarat.

### **Details of listing of GNRL**

<b>Year of Initial Listing</b>	<b>1993</b>
<b>Name of the stock Exchanges where currently listed</b>	<b>BSE</b>
<b>Details of public offering in last 3 years</b>	<b>None</b>
<b>Date of opening and closing of Issue</b>	<b>N.A.</b>
<b>Date of Allotment</b>	<b>N.A.</b>
<b>Face Value (₹)</b>	<b>10</b>
<b>Listing Code</b>	<b>513536</b>

### **Interest of our Company, Promoters and Promoter Group**

Our Company, Promoter and Promoter Group hold 4.78 % of shares in GNRL.

### **Board of Directors**

- Mr. Shalin Shah
- Mr. Ashok Shah;
- Mr. Malav Mehta;
- Mr. Pravinbhai Trivedi;
- Mrs. Sarika Kulkarni;
- Ms. Payal Pandya

**Shareholding pattern of GNRL as on September 30, 2017**

Category of shareholder	Nos. of shareholders	No. of fully paid up equity shares held	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of equity shares held in dematerialized form
(A) Promoter & Promoter Group	14	92,54,362	92,54,362	23.88	92,54,362
(B) Public	6,484	2,94,97,283	2,94,97,283	76.12	2,79,05,575
(C1) Shares underlying DRs				0.00	
(C2) Shares held by Employee Trust				0.00	
(C) Non Promoter-Non Public				0.00	
<b>Grand Total</b>	<b>6,498</b>	<b>3,87,51,645</b>	<b>3,87,51,645</b>	<b>100.00</b>	<b>3,71,59,937</b>

## Financial Information

The following information has been derived from the audited financial statements/results of GNRL (on standalone basis) for the last three financial years:

(₹ in lakhs except per share value)

Sr. No.	Particulars	As at March, 31		
		2017	2016	2015
1.	Share Capital	3875.16	3875.16	3875.16
2.	Reserves (Excluding revaluation reserve) and Surplus	4371.35	4368.74	4402.91
3.	Money Received against Share Warrants	-	-	-
4.	Networth	8246.51	8243.90	8278.07
5.	Income including other income	127.37	16.73	109.83
6.	Profit/(Loss) after tax	41.34	(34.15)	67.13
7.	Basic Earnings per share	0.11	(0.09)	0.17
8.	Diluted Earnings per Share	0.11	(0.09)	0.17
9.	Net Asset Value per Share	21.28	21.27	21.36

## Share Price Information (Scrip Code: 513536)

Month	High (₹)	Low (₹)	No. of shares Traded	Total Turnover (₹ in Lakhs)
November 2017	34.00	24.65	15,292	4.47
October 2017	26.30	22.35	10,267	2.40
September 2017	28.35	24.35	5,314	1.41
August 2017	33.50	28.50	4,541	1.36
July 2017	34.00	28.00	18,549	5.75
June 2017	34.55	27.40	8,239	2.65

(Source: [www.bseindia.com](http://www.bseindia.com))

The closing share prices of GNRL as on December 13, 2017 on BSE was ₹ 29.00

The market capitalization of GNRL as on the date of this Draft Prospectus on BSE was ₹ 11238.00, lakhs.

## Previous Issues

GNRL has not raised any capital either by way of public or rights issue during the last 3 years.

## Past Penalties and Listing Compliances:

GNRL was suspended from trading its equity shares due to Non-compliances of certain clauses of listing agreement for details please see Risk Factors beginning on page no. 11 of this Draft Prospectus.

## Promise vis-à-vis Objects

GNRL has not raised any capital either by way of public or rights issue during the last 3 years hence no promise vis-à-vis objects arises.

## Mechanism for Redressal of Investor Grievance

All share related matters namely transfer, transmission, transposition, nomination, dividend, change of name, address and signature, registration of mandate and power of attorney, replacement, split, consolidation, dematerialization and dematerialization of shares, issue of duplicate certificates etc. are handled by GNRL's registrars and transfer agents, Accurate Securities & Registry Private Limited.



Investors correspond directly with Accurate Securities & Registry Private Limited, on all share related matters. GNRL has an established mechanism for investor service and grievance handling, with Accurate Securities & Registry Private Limited and the compliance officer appointed by GNRL for this purpose being the important functional nodes.

Further, GNRL has constituted Shareholders Relationship committee which, *inter alia*, approves issue of duplicate certificates and oversees and reviews all matters connected with securities transfers and other processes. As on the date of this Draft Prospectus, there were no investor complaints pending against GNRL.

### **Other Disclosures**

- No application has been made to RoC for striking off the name of GNRL.
- GNRL is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor is under winding up. Further, GNRL does not have a negative net-worth in the immediately preceding year.
- GNRL 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 initiated for economic offences against GNRL.

## **2. Lesha Industries Limited (“LIL”)**

### **Corporate Information**

Lesha Industries Limited (“LIL”) was incorporated as “*Lesha Finstock Private Limited*” on November 23, 1992 under the Companies Act, 1956 with the Registrar of Companies, Gujarat at Dadra & Nagar Haveli. Further, “*Lesha Finstock Private Limited*” passed a resolution dated September 30, 1995 for change of name and thereafter ROC *vide* its letter dated November 27, 1995 accorded the change of name of the company from “*Lesha Finstock Private Limited*” to “*Ashni Finance Limited*”. The name of the company again changed from “*Ashni Finance Limited*” to “*Technocorp Infosystems Limited*” on September 27, 2001 *vide* fresh certificate of incorporation issued by the Registrar of Companies, Gujarat at Dadra & Nagar Haveli. The name of the company further changed from “*Technocorp Infosystems Limited*” to “*Lesha Industries Limited*” on August 31, 2009 *vide* fresh certificate of incorporation issued by the Registrar of Companies, Gujarat at Dadra & Nagar Haveli. LIL’s CIN is L27100GJ1992PLC018607.

### **Main Objects**

The main object of LIL is:

- *“To carry on and undertake as its principal business, the business of finance investment and to finance lease operation of all kinds of purchasing, selling, hiring or letting on hire all kinds of plant and machinery and equipment that the company may think fit and to assist in financing of all every kind and description of the purchase of deferred payment or similar transactions and to subside, finance or assist in subsidizing or financing the sale maintenance of any goods, articles or commodities of all and every kind and description upon any land and buildings, plant and machinery equipment, ships, aircraft, automobiles, computers and all consumer commercial and industrial items regardless of whether the property purchased by new and or used and from India or from any part of the world.*
- *To finance industrial enterprise and to lend and advance money to entrepreneurs promoters and industrial concerns, (whether directly or indirectly).*
- *To acquire and hold shares, stocks, debentures or other securities and to carry on the activities of investment Company.*

- *To carry on business of Information Technology and Information Technology related. Entrepreneurial Resources Planning, Medica Transcription, E-Security, E-Business, Placements of it Professionals, Remote Data Processing, IT Enabled Services, Internet, Internet facility Management, Management Systems, Software Developer, Software Training and Management Training, set up of Information Technology Institutes, to manufacture, Import, Export, buy, sell, develop or otherwise deal in all branches of Electronics, Computer Software and Hardware, to run Data Processing/ Computer Centers, to offer consultancy in Data Processing Systems. Telecommunication, Telecommunication related, communication systems, Satellite and Satellite related. Software and Software related Network and Networking related, E-Commerce and E-Commerce related, develop new techniques for computer software and hardware technology and generally all business related to Electronics, computers, Computings, Information Technology and high Technology Products of all rds both in Indian and Overseas, water supply, sanitation, townships and other or properties which may seem calculated directly or advance the company's and interest either in consideration of a gross sum of a rent charged in cash or services.*
- *To set up, operate, fabricate, market and deal in steel furnace, steel rolling mills, steel rolling plant and to re-roll mild, low, medium, high carbon and alloy steel and alloy cold rolled and hot rolled strips, refine alloy and manufacture ingots, skelped billets of special steel and alloy steels and to act as steel makers, steel converters ship breakers and to manufacture metallurgical products in all forms.”*

### Registered Office

LIL's registered office is situated at 7th Floor, Ashoka Chambers, Mithakhali Six Roads, Ahmedabad- 380006, Gujarat, India.

### Details of Listing of LIL

<b>Year of Initial Listing</b>	<b>2011</b>
<b>Name of the stock Exchanges where currently listed</b>	<b>BSE</b>
<b>Details of public offering in last 3 years</b>	<b>None</b>
<b>Date of opening and closing of Issue</b>	<b>N.A.</b>
<b>Date of Allotment</b>	<b>N.A.</b>
<b>Face Value (₹)</b>	<b>10</b>
<b>Listing Code</b>	<b>533602</b>

### Interest of our Company, Promoters and Promoter Group:

Our Company, Promoter and Promoter Group hold 35.91 % of shares in LIL.

### Board of Directors

- Mr. Shalin Shah
- Mr. Ashok Shah;
- Mr. Hiteshkumar Donga;
- Ms. Payal Pandya

**Shareholding pattern of LIL as on September 30, 2017**

Category of shareholder	Nos. of shareholders	No. of fully paid up equity shares held	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)As a % of (A+B+C2)	Number of equity shares held in dematerialized form
(A) Promoter & Promoter Group	6	33,87,223	33,87,223	35.91	33,87,223
(B) Public	7,448	60,46,415	60,46,415	64.09	55,22,716
(C1) Shares underlying DRs				0.00	
(C2) Shares held by Employee Trust				0.00	
(C) Non Promoter-Non Public				0.00	
<b>Grand Total</b>	<b>7,454</b>	<b>94,33,638</b>	<b>94,33,638</b>	<b>100.00</b>	<b>89,09,939</b>

## Financial Information

The following information has been derived from the audited financial statements/results of LIL (on standalone basis) for the last three financial years:

(₹ in lakhs except per share value)

Sr. No.	Particulars	As at March, 31		
		2017	2016	2015
1.	Share Capital	943.36	943.36	943.36
2.	Reserves (Excluding revaluation reserve) and Surplus	1143.56	1160.20	1166.13
3.	Money Received against Share Warrants	-	-	-
4.	Networth	2086.92	2103.56	2109.85
5.	Income including other income	76.73	8.97	677.01
6.	Profit/(Loss) after tax	(16.64)	(5.93)	(17.68)
7.	Basic Earnings per share	(0.18)	(0.06)	(0.19)
8.	Diluted Earnings per Share	(0.18)	(0.06)	(0.19)
9.	Net Asset Value per Share	22.12	22.29	22.36

## Share Price Information (Script Code: 533602)

Month	High (₹)	Low (₹)	No. of shares Traded	Total Turnover (₹ in Lakhs)
November 2017*	NA	NA	NA	NA
October 2017*	NA	NA	NA	NA
September 2017*	NA	NA	NA	NA
August 2017	4.51	3.73	0.47	1.94
July 2017	4.04	2.76	0.25	0.89
June 2017	2.86	1.72	0.40	0.85

\*LIL's equity shares were suspended from trading from August 16, 2017 till December 14, 2017 due to procedural reasons, However the company got trading approval dated December 12, 2017.

(Source: [www.bseindia.com](http://www.bseindia.com))

The closing share prices of LIL as on December 13, 2017 is not applicable as explained above.

The market capitalization of LIL cannot be ascertained as on date of Draft Prospectus.

## Previous Issues

LIL has not raised any capital either by way of public or rights issue during the last 3 years.

## Past Penalties and Listing Compliances.

LIL has not faced any suspension on the BSE for any listing agreement non-compliance.

## Promise vis-à-vis Objects

LIL has not raised any capital either by way of public or rights issue during the last 3 years hence promise vis-à-vis objects does not arise.

## Mechanism for Redressal of Investor Grievance

All share related matters namely transfer, transmission, transposition, nomination, dividend, change of name, address and signature, registration of mandate and power of attorney, replacement, split, consolidation, dematerialization and

dematerialization of shares, issue of duplicate certificates etc. are handled by LIL's registrars and transfer agents, Purva Share Registry (India) Private Limited.

Investors correspond directly with Purva Share Registry (India) Private Limited, on all share related matters. LIL has an established mechanism for investor service and grievance handling, with Purva Share Registry (India) Private Limited and the compliance officer appointed by LIL for this purpose being the important functional nodes.

Further, LIL has constituted Shareholders Relationship committee which, *inter alia*, approves issue of duplicate certificates and oversees and reviews all matters connected with securities transfers and other processes. As on the date of this Draft Prospectus, there were no investor complaints pending against LIL.

### **Other Disclosures**

- LIL's equity shares were suspended from trading from August 16, 2017 till December 12, 2017 due to procedural reasons.
- No application has been made to RoC for striking off the name of LIL.
- LIL is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor is under winding up. Further, LIL does not have a negative net-worth in the immediately preceding year.
- LIL 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 initiated for economic offences against LIL.

### **3. Vivanza Biosciences Limited ("VBL") [Associate Company]**

#### **Corporate Information**

Vivanza Biosciences Limited ("VBL") was incorporated as "*Ivee Injectaa Private Limited*" on March 06, 1982 under the Companies Act, 1956 with the Registrar of Companies, Gujarat at Dadra & Nagar Haveli. Then pursuant to conversion of the company to public limited company the name was changed to "*Ivee Injectaa Limited*" on July 21, 1992 *vide* certificate of incorporation consequent upon conversion to public limited company issued by the Registrar of Companies, Gujarat at Dadra & Nagar Haveli. Further, there was change of name of the company from "*Ivee Injectaa Limited*" to "*Vivanza Biosciences Limited*" on January 07, 2016 *vide* certificate of incorporation pursuant to change of name issued by the Registrar of Companies, Ahmadabad at Gujarat. VBL's CIN is L24110GJ1982PLC005057.

#### **Main Objects**

The main object of VBL is:

- *"To set up, operate, fabricate, market and deal in steel furnace, steel rolling plant and to re-roll mild, low, medium, high carbon and alloy steel alloy cold rolled and hot rolled strips, refine alloy and manufacture ingots, skelped billets of special steel and alloy steels and to act as steel makers, steel converters ship breakers and to manufacture metallurgical products in all forms.*
- *To carry on business of Information Technology and Information Technology related. Entrepreneurial Resources Planning, Medica Transription, E-Security, E-Business, Placements of it Professionals, Remote Data Processing, IT Enabled Services, Internet, Internet facility Management, Management Systems, Software Developer, Software Training and Management Training, set up of Information Technology Institutes, to manufacture, Import, Export, buy, sell, develop or otherwise deal in all branches of Electronics, Computer Software and Hardware, to run Data Processing/ Computer Centers, to offer consultancy in Data Processing Systems. Telecommunication, Telecommunication related, communication systems, Satellite and Satellite related. Software and Software related Network and Networking related, E-Commerce and E-Commerce related, develop new techniques for computer*

software and hardware technology and generally all business related to Electronics, computers, Computings, Information Technology and high Technology Products of all rds both in Indian and Overseas, water supply, sanitation, townships and other or properties which may seem calculated directly or advance the company's and interest either in consideration of a gross sum of a rent charged in cash or services.

- To open, run, construct, acquire, establish, operate one or more factories for the manufacture of drugs, medicines, pharmaceuticals, drug intermediates, food products, cosmetics, perfumery, compounds, toilet requisites, chemicals including fine, heavy, organic, inorganic, phyto chemicals, solvents, extracts, ashes of gems, matalsalloy and subsidiaries as ultimate products or for use as raw materials for such items for human and/or animal consumption and application prescribed under any branch of medicine including Allopathy, Homeopathy, Ayurved, Naturopathy, Osteopathy, Veterinary, for oral, intramuscular, intra- dermal, prenatal, external application or any other therapy.
- To carry on business of manufacturers, producers, processors, purchases, sellers, distributors, importers, exporters, merchants and dealers in all types of medicinal, pharmaceutical and biological preparations, cosmetics, bio-electronics, perfumery compounds, beauty products, food products, beverage, pesticides, toilet requisites and things, articles and commodities of any description using chemicals such as fine, heavy, organic, inorganic, phyto and/or herbs, vegetable roots, vegetable roots, vegetables, flora shrubs, creepers, vine, fruits-nuts, agricultural products, sea weeds, grass, solvents, extracts, metals, alloys, wax, oils, resins, glycerin, gelatin, animal-tissues, facts, dyes, pigments as raw materials.
- To manufacture, formulate, process, develop, refine all kinds of pharmaceuticals, antibiotics, medicinal preparations, drugs, chemicals, chemical products, dry salters, foods suitable for infants and invalids, and allied goods and to carry on the business of chemists, druggists, importers, exporters, buyers, sellers, agents, distributors and stockists of all kinds of pharmaceuticals and also to deal in medicinal goods, such as surgical instruments, contraceptives, photographic goods, oils, perfumes, cosmetics, patent medicines, soaps, artificial eyes, hospital requisites, vaccines, biological, proprietary medicines, veterinary medicines, tincture extract, vialling, bottling, repacking, processing of capsules, syrups, tablets and ointments.”

### Registered Office

VBL's registered office is situated at 702, 'A' Wing, Ashoka Chambers Rasala Marg, Ellisbridge, Ahmedabad- 380006, Gujarat.

### Details of Listing of VBL

<b>Year of Initial Listing</b>	<b>1995</b>
<b>Name of the stock Exchanges where currently listed</b>	<b>BSE</b>
<b>Details of public offering in last 3 years</b>	<b>None</b>
<b>Date of opening and closing of Issue</b>	<b>N.A.</b>
<b>Date of Allotment</b>	<b>N.A.</b>
<b>Face Value (₹)</b>	<b>10</b>
<b>Listing Code</b>	<b>530057</b>

### Interest of our Company, Promoters and Promoter Group

Our Company hold 23.75 % of shares in VBL.

### Board of Directors

- Mr. Sitaram Paikray
- Mr. Harshul Shah
- Mr. Naveen Jain
- Ms. Sheetal Pandya
- Mr. Bhaskar Bhattachary

**Shareholding pattern of VBL as on September 30, 2017**

Category of shareholder	Nos. of shareholders	No. of fully paid up equity shares held	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Locked in shares		Number of equity shares held in dematerialized form
					No.(a)	As a % of total Shares held(b)	
(A) Promoter & Promoter Group	1	19,12,000	19,12,000	47.80	8,00,000	41.84	19,12,000
(B) Public	4,585	20,88,000	20,88,000	52.20	14,50,000	69.44	19,31,721
(C1) Shares underlying DRs				0.00		0.00	
(C2) Shares held by Employee Trust				0.00		0.00	
(C) Non Promoter-Non Public				0.00		0.00	
<b>Grand Total</b>	<b>4,586</b>	<b>40,00,000</b>	<b>40,00,000</b>	<b>100.00</b>	<b>22,50,000</b>	<b>56.25</b>	<b>38,43,721</b>



## Financial Information

The following information has been derived from the audited financial statements/results of VBL (on standalone basis) for the last three financial years:

(₹ in lakhs except per share value)

Sr. No.	Particulars	As at March, 31		
		2017	2016	2015
1.	Share Capital	400.00	18.80	376.00
2.	Reserves (Excluding revaluation reserve) and Surplus	(32.19)	(16.31)	(359.38)
3.	Money Received against Share Warrants	14.50	-	-
4.	Networth	367.81	2.49	16.61
5.	Income including other income	352.00	0.05	0.00
6.	Profit/(Loss) after tax	(15.88)	(6.03)	(5.26)
7.	Basic Earnings per share	(0.50)	(0.19)	(0.14)
8.	Diluted Earnings per Share	(0.50)	(0.19)	(0.14)
9.	Net Asset Value per Share	9.19	1.32	0.44

## Share Price Information (Scrip code: 530057)

Month	High (₹)	Low (₹)	No. of shares Traded	Total Turnover (₹ in Lakhs)
November 2017	83.00	64.80	576	0.41
October 2017	154.00	86.85	92	0.12
September 2017	166.00	162.00	85	0.14
August 2017*	159.00	159.00	11	0.02
July 2017	158.65	158.65	10	0.02
June 2017	167.00	167.00	151	0.25

\*The equity shares of VBL were not frequently traded from, May 2017 till August, 2017.

(Source: [www.bseindia.com](http://www.bseindia.com))

The closing share prices of VBL as on December 13, 2017 on BSE was ₹ 64.80,

The market capitalization of VBL as on the date of this Draft Prospectus on BSE was ₹ 2592.00 lakhs.

## Previous Issues

VBL has not raised any capital either by way of public or rights issue during the last 3 years.

## Past Penalties and Listing Compliances

There was change of management in year of 2016 thus information with regard to past penalties and listing compliances are not available with the current Management.

## Promise vis-à-vis Objects

VBL has not raised any capital either by way of public or rights issue during the last 3 years and hence promise vis-à-vis objects does not arise.

## Mechanism for Redressal of Investor Grievance

All share related matters namely transfer, transmission, transposition, nomination, dividend, change of name, address and signature, registration of mandate and power of attorney, replacement, split, consolidation, dematerialization and dematerialization of shares, issue of duplicate certificates etc. are handled by VBL's registrars and transfer agents, Purva Share Registry (India) Private Limited.

Investors correspond directly with Purva Share Registry (India) Private Limited, on all share related matters. VBL has an established mechanism for investor service and grievance handling, with Purva Share Registry (India) Private Limited and the compliance officer appointed by VBL for this purpose being the important functional nodes.

Further, VBL has constituted Shareholders Relationship committee which, *inter alia*, approves issue of duplicate certificates and oversees and reviews all matters connected with securities transfers and other processes. As on the date of this Draft Prospectus, there were no investor complaints pending against VBL.

#### **Other Disclosures**

- No application has been made to RoC for striking off the name of VBL.
- VBL is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor is under winding up. Further, VBL does not have a negative net-worth in the immediately preceding year.
- VBL 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 initiated for economic offences against VBL.

#### **4. Ashnisha Industries Limited (“AIL”)**

##### **Corporate Information**

Ashnisha Industries Limited (“AIL”) was incorporated as “*Ashnisha Alloys Private Limited*” under the Companies Act, 1956 on July 27, 2009 with the Registrar of Companies, Gujarat at Dadra & Nagar Haveli. Then pursuant to conversion of the company to public limited company the name was changed to “*Ashnisha Alloys Limited*” on March 14, 2017 *vide* certificate of incorporation consequent upon conversion to public limited company issued by the Registrar of Companies, Gujarat at Dadra & Nagar Haveli. Further, there was change of name of the company from “*Ashnisha Alloys Limited*” to “*Ashnisha Industries Limited*” on March 29, 2017 *vide* certificate of incorporation pursuant to change of name issued by the Registrar of Companies, Gujarat at Dadra & Nagar Haveli. There was a Scheme of Arrangement involving demerger of trading and investment business of Lesha Industries Limited into Ashnisha Industries Limited wherein trading and investment business of Lesha Industries Limited was vested into AIL. Further, as on the date of this Draft Prospectus AIL is in the process of Listing. AIL’s CIN is U74110GJ2009PLC057629.

##### **Main Objects**

The main object of AIL is:

- *“To carry on the business of manufacturer, importer, exporter, trading of stainless steel, special steel, alloy steel, ferrous and non-ferrous metals from scrap of iron ore or any other similar raw materials and to manufacture in the foundry casting ingots or billets, pipes and tubes.*
- *To carry on and undertake as its principal business, the business of finance investment and to finance lease operation of all kinds of purchasing, selling, hiring or letting on hire all kinds of plant and machinery and equipment that the company may think fit and to assist in financing of all every kind and description of the purchase of deferred payment or similar transactions and to subsidize, finance or assist in subsidizing or financing the sale maintenance of any goods, articles or commodities of all and every kind and description upon any land and buildings, plant and machinery equipment, ships, aircraft, automobiles, computers and all consumer commercial and industrial items regardless of whether the property purchased by new and or used and from India or from any part of the world.*
- *To finance industrial enterprise and to lend and advance money to entrepreneurs promoters and industrial concerns, (whether directly or indirectly).*
- *To acquire and hold shares, stocks, debentures or other securities and to carry on the activities of investment Company.”*

### Registered Office

AIL's registered office is situated at 7th Floor, Ashoka Chambers, Opp. HCG Hospital Mithkhali Six Roads, Mithakhali Ahmedabad- 380006, Gujarat, India.

### Interest of our Company, Promoters and Promoter Group

Our Company, Promoter and Promoter Group holds 35.91% of shares in AIL.

### Board of Directors

- Mr. Shalin Shah
- Mr. Ashok Shah;
- Mrs. Leena Shah

### Financial Information

The brief financial details of AIL derived from its audited financial statements, for Fiscals 2017, 2016 and 2015 are set forth below:

(₹ in lakhs)

Particulars	As at March 31		
	2017	2016	2015
Equity Capital	5.00	1.00	1.00
Reserves and Surplus (excluding revaluation reserve)	(2.26)	(0.91)	(0.82)
Income including other income	54.45	140.54	0.00
Profit/ (Loss) after tax	(1.35)	(0.09)	(0.19)
Earnings per share (Face Value of ₹10 Each)	(3.91)	(0.89)	(1.88)
Net asset value per share (in ₹)	5.48	0.95	1.83

### Other Disclosures

- The Equity Shares of AIL are not listed on any Stock Exchange and it has not made any public / rights issue in the last three (3) years.
- No application has been made to RoC for striking off the name of AIL.
- AIL is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor is under winding up. Further, AIL does not have a negative net-worth in the immediately preceding year.
- AIL 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 initiated for economic offences against AIL.

### 5. Lesha Agro Foods Private Limited ("LAFPL")

#### Corporate Information

Lesha Agro Foods Private Limited ("LAFPL") was incorporated on February 06, 2012 under the Companies Act, 1956 with the Registrar of Companies, Gujarat at Dadra & Nagar Haveli. LAFPL's CIN is U01403GJ2012PTC068885.

#### Main Objects

The main object of LAFPL is:

*"To carry on business of farming, agriculture and horticulture in its branches and to grow, produce, manufacture, process, prepare, refine, extract, manipulate, hydrolyze, buy, sell, market or deal in all kinds of agriculture, horticulture, and farm produce and products including food grains, cereals, seeds, soyabeans, corn, corn oil, cash crops, plants, flowers, vegetables, edibles oils, eggs and human foods and food products and to cultivate any plantation*

or other agriculture produces in all its branches and carry on business as cultivators, buyer and dealers in vegetables, grains and vanaspaties and all other agriculture produces and to prepare, manufacture and render marketable any such produce and to sell, market, dispose off, or to deal any such produce either in its prepared, manufacture or raw state and to purchase, hold, develop, cultivate any agriculture, barren land for the purpose of herein mentioned and to do e-retailing of Agro Products.”

### Registered Office

LAFPL’s registered office is situated at 7th Floor, Ashoka Chambers, Mithakhali Six Roads, Ahmedabad- 380006, Gujarat, India.

### Interest of our Company, Promoters and Promoter Group

Our Promoter and Promoter Group hold 100% of shares in LAFPL.

### Board of Directors

- Mr. Shalin Shah
- Mr. Ashok Shah;

### Financial Information

The brief financial details of LAFPL derived from its audited financial statements, for Fiscals 2017, 2016 and 2015 are set forth below:

(₹ in lakhs)

Particulars	As at March 31		
	2017	2016	2015
Equity Capital	1.00	1.00	1.00
Reserves and Surplus (excluding revaluation reserve)	(0.72)	(0.67)	(0.50)
Income including other income	0.00	0.00	0.00
Profit/ (Loss) after tax	(0.06)	(0.17)	(0.12)
Earnings per share (Face Value of ₹ 10 Each)	(0.56)	(1.69)	(1.24)
Net asset value per share (in ₹)	2.8	3.3	5.00

### Other Disclosures

- The Equity Shares of LAFPL are not listed on any Stock Exchange and it has not made any public / rights issue in the last three (3) years.
- No application has been made to RoC for striking off the name of LAFPL.
- LAFPL is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor is under winding up. Further, LAFPL does not have a negative net-worth in the immediately preceding year.
- LAFPL 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 initiated for economic offences against LAFPL.

### NATURE AND EXTENT OF THE INTEREST OF THE GROUP COMPANIES IN OUR COMPANY

#### In the promotion of our Company

None of the Group Companies have any interest in the promotion of our Company.

#### In the properties acquired by our Company

None of the Group Companies have any interest in the properties acquired by our Company within the two years of the date of filing this Draft Prospectus or proposed to be acquired by our Company, except as disclosed in the chapter titled “*Our Business*” beginning on page no. 84 of this Draft Prospectus.

#### **In transactions for acquisition of land, construction of building and supply of machinery**

None of the Group Companies have any interest in our Company in relation to transactions for acquisition of land, construction of building and supply of machinery, except as disclosed in the chapter titled “*Our Business*” on page no. 84 of this Draft Prospectus.

#### **Payment of amount or benefits to our Group Companies during the last two years**

Except as disclosed in the section “*Financial Information – Annexure XXV - Related Party Transactions*” beginning on page no. 139 of this Draft 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 Group Companies**

Except Ashnisha Industries Limited, and Lesha Industries Limited which are also engaged in the same business as our Company; there are no common pursuits between our Company and any of our other Group Companies. Further, our Company will adopt necessary procedures and practices as permitted by law to address any conflicting situation as and when they arise.

Further, our Company share its Registered Office with our other group companies viz: Lesha Industries Limited, Lesha Agro Foods Private Limited and Ashnisha Industries Limited. There has not been any adverse situation with regard to the sharing of the Registered Office with our Group Companies as on the date of this Draft Prospectus, however if it arises in future our Company will adopt necessary procedures and practices as permitted by law to address the same.

#### **Related business transactions within the Group Companies and its significance on the financial performance of our Company**

For Further details on the related party transaction, to the extent of which our Company is involved, please see “*Annexure XXV - Statement of Related Party Transaction*” on page no. 139 of this Draft Prospectus.

#### **Sale/purchase between Group Companies (exceeding 10% in aggregate of the total sales or purchases of our Company)**

For details, please see the chapter titled “*Financial Statements- Annexure XXV- Related Party Transactions*” on page no. 139 of this Draft Prospectus.

#### **Defunct Group Companies**

None of the Group Companies are defunct and no application has been made to the registrar of companies for striking off the name of any of the Group Companies during the five years preceding the date of the Draft Prospectus.

#### **Outstanding Litigations**

For details relating to the material legal proceedings involving our Group Companies, see the chapter titled “*Outstanding Litigations and Material Developments*” on page no. 184 of this Draft Prospectus.

#### **Other Confirmations**

Our Group Companies have further confirmed that they have not been declared as willful defaulters and there have been no violations of securities laws committed by them in the past and no proceedings pertaining to such penalties are pending against them except as stated under chapters “*Risk Factors*” and “*Our Group Companies*” and “*Outstanding Litigations and Material Developments*” on page nos. 11, 120 and 184 of this Draft Prospectus respectively.

Additionally, none of our Group Companies have 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

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“*Outstanding Litigations and Material Developments*” on page nos. 11 120 and 184 of this Draft Prospectus respectively.

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## **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 Draft 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.



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## **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.

There are no dividends declared by our Company 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 INDEPENDENT AUDITORS ON CONSOLIDATED RESTATED FINANCIAL STATEMENTS

To,  
The Board of Directors,  
**Ashoka Metcast Limited,**  
7th Floor, Ashoka Chambers,  
Opp. HCG Hospital,  
Mithakhali Six Roads,  
Mithakhali Ahmedabad- 380006,  
Gujarat, India

1. We have examined the Consolidated Restated Financial Statements and Other Financial Information of Ashoka Metcast **Limited ('Holding Company')** and its subsidiary Shree Ghantakarna Rolling Mills Private Limited (**"Subsidiary Company"**) (hereinafter referred to as **"the Company"** or **"the Group"**), taking into consideration the terms of reference and terms of our engagement agreed upon with you in connection with the proposed IPO of the Company and the Guidance Note (Revised) on Reports in Company Prospectuses issued by the Institute of Chartered Accountants of India.
2. The said Consolidated 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;
3. We have examined the accompanied Consolidated Restated Statement of Profit and Loss (Annexure-II) for the period ended on 15<sup>th</sup> November 2017 and Consolidated 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 Account (Annexure IV & V) thereon, which are the responsibility of the Company's management. The Information have been extracted from the financial statements for the financial year ended on for the period ended on 15<sup>th</sup> November, 2017 audited by M/s. Keyur Bavishi & Co, Chartered Accountants, being the Statutory Auditors of the Company and re-audited by us, being the peer review auditor, as per the requirement of SEBI (ICDR) Regulations.
4. In terms of Schedule VIII, Clause IX (9) of the SEBI (ICDR) Regulations, 2009 and other provisions relating to accounts of Ashoka Metcast Limited, we, M/s. GMCA & 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.
5. Based on our examination, we further report that:
  - a. The Consolidated Restated Statement of Assets and Liabilities of the Company as at 15<sup>th</sup> November, 2017, 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 Consolidated Restated Statement of Profit and Loss of the Company for the period ended on 15<sup>th</sup> November, 2017 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 III** and the Statement of Adjustments to the audited Consolidated

financial statements in **Annexure IV**.

- c. Cash Flow Statement of the Group is not prepared as specified in AS 3 issued by ICAI as this being the first time the Group is preparing the Consolidated Financial Statement and the comparatives are not provided considering the Transition Provision.
- d. The Consolidated 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 ("the Order"), as amended, issued by the Central Government of India from time to time in terms of sub - section (4A) of section 227 of the Companies Act 1956 and sub section (11) of section 143 of the Companies Act 2013, as the case may be, on financial statements of the company as at and for the period ended on 15<sup>th</sup> November, 2017.
  - ii. extra-ordinary items that need to be disclosed separately in the accounts requiring adjustments.

6. 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 - V)
- ii. Restated Statement of Reserves & Surplus (Annexure - VI)
- iii. Restated Statement of Fixed Assets (Annexure - VII)
- iv. Restated Statement of Other Non Current Investments (Annexure- VIII)
- v. Restated Statement of Long Term Borrowings (Annexure- IX)
- vi. Restated Statement of Non Current Liabilities (Annexure- X)
- vii. Restated Statement of Short Term Borrowings (Annexure- XI)
- viii. Restated Statement of Other Current Liabilities(Annexure- XII)
- ix. Restated Statement of Other Non Current Assets (Annexure- XIII)
- x. Restated Statement of Short Term Loans & Advances (Annexure – XIV)
- xi. Restated Statement of Trade Receivable (Annexure – XV)
- xii. Restated Statement of Cash and Cash Equivalents (Annexure - XVI)
- xiii. Restated Statement of Orher Current Assets (Annexure - XVII)
- xiv. Restated Statement of Other Income (Annexure - XVIII)
- xv. Restated Statement of Revenue From Operations (Annexure - XIX)
- xvi. Restated Statement of Finance cost (Annexure – XX)
- xvii. Restated Statement of Other Expenses (Annexure – XXI)
- xviii. Statement of Related Party Transactions (Annexure – XXII)
- xix. Statement of Capitalization (Annexure – XXIII)
- xx. Restated Statement of Accounting Ratios (Annexure – XXIV)

7. In our opinion, the Consolidated Restated Financial Statements and the other Financial Information set forth in Annexure I to XXVII 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.

8. 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.
9. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
10. This report is intended solely for your information and for inclusion in the Offer document in connection with the Company's proposed IPO of equity shares and is not to be used, referred to or distributed for any other purpose without our prior written consent.

**For GMCA & Co**  
**Chartered Accountants**  
(Firm Registration No. 109850W)

**CA Mitt S. Patel**  
**Partner**  
Membership No: 163940  
Place: Hyderabad  
Date: 12.12.2017

**Annexure I**  
**STATEMENT OF CONSOLIDATED ASSETS AND LIABILITIES, AS RESTATED**

(₹ in lakhs)

Particulars	As at 15 <sup>th</sup> November 2017
<b>EQUITY AND LIABILITIES</b>	
<b>Shareholder's fund</b>	
a) Equity Share Capital	471.00
b) Reserves and surplus	479.27
<b>Total Shareholders Fund</b>	<b>950.27</b>
<b>Non-current liabilities</b>	
a) Deferred Tax Liabilities	0.48
b) Long Term Borrowings	320.69
c) Other Non Current Liabilities	201.03
<b>Total</b>	<b>522.20</b>
<b>Current liabilities</b>	
a) Short Term Borrowings	521.80
b) Trade Payables	-
c) Other Current Liabilities	11.17
<b>Total</b>	<b>532.97</b>
<b>TOTAL</b>	<b>2,005.44</b>
<b>ASSETS</b>	
<b>Non - Current Assets</b>	
a) Fixed Assets (Property, Plant and Equipment)	
Tangible assets	398.32
b) Non Current Investments	557.45
c) Goodwill on Consolidation	95.77
d) Other Non Current Assets	68.90
<b>Total</b>	<b>1,120.44</b>
<b>Current Assets</b>	
a) Short Term Loans and Advances	90.42
b) Trade Receivables	769.53
c) Cash and Cash Equivalents	10.76
d) Other Current Assets	14.29
<b>Total</b>	<b>885.00</b>
<b>TOTAL</b>	<b>2,005.44</b>

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

(₹ in lakhs)

Particulars	For the period ended November 15, 2017
<b>INCOME</b>	
Revenue from Operations	652.14
Other Income	0.86
<b>Total Income (1)</b>	<b>653.00</b>
<b>EXPENSES:</b>	
Purchase of Stock in Trade	641.99
Employee Benefits	1.52
Finance costs	0.03
Depreciation and Amortization expense	0.23
Other Expenses	2.48
<b>Total expenses(2)</b>	<b>646.25</b>
<b>Net Profit / (Loss) before Tax and extra-ordinary items(1-2)</b>	<b>6.75</b>
<b>Less: Tax Expense</b>	
Current tax	1.68
MAT Credit Entitlement	(0.15)
Income tax earlier years	
Deferred tax	0.41
<b>Total Tax(3)</b>	<b>1.94</b>
<b>Net Profit / ( Loss ) for the period after tax but before extra-ordinary items(2-3)</b>	<b>4.81</b>
<b>Share of Profit in Associate</b>	<b>3.33</b>
<b>Net Profit for the year</b>	<b>8.14</b>

## Annexure III

### SIGNIFICANT ACCOUNTING POLICIES:

#### 1. Basis of Presentation :

The financial statements of the Company are prepared under historical cost convention in accordance with the Generally Accepted Accounting Principles (GAAP) applicable in India and the accounting standards and statements issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 2013.

#### 2. Principles of Consolidation:

The Consolidated financial Statements relate to Ashoka Metcast Limited ('The Company') and its associates. The Consolidated Financial Statements have been prepared on the following basis:

- a) Investments in Associate Companies has been accounted under the Equity method as per the Accounting Standard (AS) 23 – "Accounting for Investments in Associates in Consolidated Financial Statements".
- b) The Company accounts for its share of post-acquisition changes in net assets of associates, after eliminating unrealized profits and losses resulting from transactions between the company and its associates to the extent of its share, through its Consolidated Profit & Loss Statement, to the extent such change is attributable to the associates' Profit and Loss Statement and through its reserves for the balance based on available information.
- c) The difference between the cost of investment in the associates and the share of net assets at the time of acquisition of shares in the associates is identified in the financial statements as Goodwill or Capital Reserve as the case may be.
- d) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in same manner as the company's separate financial statements.

The Subsidiary and Associate companies considered in the preparation of these consolidated financial statement are:

Name of the Subsidiary and Associate company	Type of company	Proportionate of ownership as on 15 <sup>th</sup> November, 17
Shree Ghantakarna Rolling Mills Private Limited	Subsidiary company	100.00 %
Vivanza Bioscience Ltd.	Associate company	23.75%

#### 3. Use of Estimates :

The Preparation of the financial statements in conformity with the GAAP requires that the management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements, and the reported amounts of revenue and expenses during the reported year. Actual results could differ from those estimates.

#### 4. Inventory:

Direct Expenditure related to construction activity is inventoried. Other Expenditure during construction period is inventoried to the extent the expenditure is directly attributable cost of bringing the inventory to its working condition for its intended use. Other expenditure which is not directly attributable which is not directly attributable for bringing the inventory to its working condition for its intended use is charged to statement of profit & loss account.



**i) Work in progress:**

Real Estate Projects (including land Inventory) represents cost incurred in respect of unsold area of the real estate development projects or cost incurred on project where revenue is yet to be recognized. Real Estate Work in progress is valued at lower of cost and net realizable value.

**ii) Finished Goods:**

Valued at lower of cost and net realizable value.

**5. Revenue Recognition:**

**i) Interest Income**

Income from interest is accounted for on time proportion basis taking into account the amount outstanding and the applicable rate of interest.

**ii) Dividend Income**

Dividend income is recognized when the right to receive is established by the reporting date

**iii) Rental Income**

Rental income is accounted for on accrual basis except in cases where ultimate collection is considered doubtful.

**6. Property, plant and equipment :**

All items of property, plant and equipment except Land property are accounted as per Cost Model defined in AS 10 (Revised) Property Plant and Equipment. In this way items of property, plant and equipment are carried at its cost less any accumulated depreciation and any accumulated impairment losses, if any Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. Borrowing costs directly attributable to acquisition of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Company has adopted the revaluation model as its accounting policy for Land property which was reflecting previous upward revaluation being distinct class of asset. This is in compliance with transitional provisions of AS 10 (Revised) Property Plant and Equipment.

**7. Depreciation :**

Depreciation is provided on pro rata basis on Written down value method at the rates determined based on estimated useful lives of assets, where applicable, prescribed under Schedule II to the Act.

**8. Investments:**

Long Term Investments have been valued at cost. Since these investments are considered to be long term in nature no provision has been made to recognize diminution in the value of investments.

**9. Income Tax Expense:**

**a. Current Tax**

The current charge for income taxes is calculated in accordance with the relevant tax regulations applicable to the Company.

**b. Deferred Tax**

Deferred Tax or credit reflects the tax effects of timing differences between accounting income & taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantially enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future. However, where there is unabsorbed Depreciation or carry forward of losses, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are revised at each Balance Sheet date & written down or written up to reflect the amount that is reasonably / virtually certain (as case may be) to be realized.

**c. Minimum Alternate Tax**

Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The company recognizes MAT credit available as an asset only to the extent there is convincing evidence that

the company will pay normal income tax during the specified period, i.e., the period for which MAT Credit is allowed to be carried forward. In the year in which the Company recognizes MAT Credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternate Tax under the Income Tax Act, 1961, the said asset is created by way of credit to the statement of Profit and Loss and shown as “MAT Credit Entitlement.” The Company reviews the “MAT Credit Entitlement” asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the sufficient period.

**10. Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**11. Provisions, Contingent Liability and Contingent Assets:**

A provision is recognized when the Company has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or reliable estimate of the amount cannot be made, is also termed as contingent liability. A contingent asset is neither recognized nor disclosed in the financial statements.

**12. Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand and short-term investments with balance maturity period of three months or less as on the balance sheet date.

**13. Other significant accounting policies:**

These are set out under “Significant Accounting Policies” as given in the separate Financial Statements of the Holding Company and its associates incorporated in India.

**14.** There are no Auditor’s Qualifications in the Consolidated audited Financial Statements as at November 15, 2017.

**Annexure IV**

**NOTES TO ACCOUNTS**

**1. Deferred Tax**

(₹ in lakhs)

Particulars	For the period ended November 15, 2017
<b>Deferred tax liabilities/(assets) arising on account of timing difference in:</b>	
Opening Balance	0.07
Depreciation/ Preliminary Expenses	0.41
<b>Total</b>	<b>0.48</b>

**2. Remuneration to Statutory Auditors:**
*(₹ in lakhs)*

Particulars	For the period ended November 15, 2017
Statutory Audit Fees	-
Tax Audit Fees	-
<b>Total</b>	

**3. Micro And Small Enterprises:**

As per the records of the company & information given to us, the company has not entered into any agreement for purchase transaction with suppliers registered under The Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act) as at 31st March, 2017. The note has been identified on the basis of information available with the company.

**Annexure V**
**STATEMENT OF SHARE CAPITAL, AS RESTATED**
*(₹ in lakhs)*

Particulars	For the period ended November 15, 2017
<b>1 Authorized Share Capital :</b>	
110,00,000 Equity Shares of ₹ 10/- each	1,100.00
<b>Total</b>	<b>1,100.00</b>
<b>2 Issued, Subscribed and Paid Up Capital :</b>	
4710,000 Equity Shares of ₹ 10/- each fully paid up	471.00
<b>Total</b>	<b>471.00</b>

**Reconciliation of number of shares outstanding:**

Particulars	For the period ended November 15, 2017
<b>Equity Shares</b>	
Equity shares at the beginning of the year	10,000
Add: Movement during the year	47,00,000
<b>Outstanding at the end of the year</b>	<b>47,10,000</b>

**Annexure VI**
**STATEMENT OF RESERVES AND SURPLUS**
*(₹ in lakhs)*

Particulars	For the period ended November 15, 2017
<b>Security Premium</b>	<b>470.00</b>
<b>Profit &amp; Loss A/c</b>	
Opening Balance	0.30
Less: Depreciation Adjusted	-
Add: Transfer during the year	8.13
Less: Pre Acquisition Profit /(Loss)	(0.84)
<b>Closing Balance</b>	<b>9.27</b>
<b>Total Reserves</b>	<b>479.27</b>

**Annexure VII**  
**STATEMENT OF FIXED ASSETS, AS RESTATED**

(₹ in lakhs)

Particulars	As at November, 15, 2017
<b>FREEHOLD LAND *</b>	
Opening Balance	60.00
Addition during the year	-
Reduction during the year	-
Depreciation During the year	-
Accumulated Depreciation	-
Closing Balance	60.00
<b>Factory Building **</b>	
Opening Balance	26.56
Addition during the year	-
Reduction during the year	-
Depreciation During the year	-
Accumulated Depreciation	-
Closing Balance	26.56
<b>Plant &amp; Machinery **</b>	
Opening Balance	310.83
Addition during the year	-
Reduction during the year	-
Depreciation During the year	-
Accumulated Depreciation	-
Closing Balance	310.83
<b>Air Conditioner</b>	
Opening Balance	0.32
Addition during the year	-
Reduction during the year	-
Depreciation During the year	0.01
Accumulated Depreciation	0.25
Closing Balance	0.76
<b>Furniture &amp; Fixture</b>	
Opening Balance	0.18
Addition during the year	-
Reduction during the year	-
Depreciation During the year	0.01
Accumulated Depreciation	0.15
Closing Balance	0.02
<b>Electric Installation</b>	
Opening Balance	1.15
Addition during the year	-
Reduction during the year	-
Depreciation During the year	0.04
Accumulated Depreciation	0.95
Closing Balance	0.16
<b>Computer</b>	
Opening Balance	0.53
Addition during the year	-

Particulars	As at November, 15, 2017
Reduction during the year	-
Depreciation During the year	-
Accumulated Depreciation	0.51
Closing Balance	0.03
<b>Computer &amp; Other Hardware</b>	
Opening Balance	0.84
Addition during the year	-
Reduction during the year	-
Depreciation During the year	0.17
Accumulated Depreciation	0.03
Closing Balance	0.64
<b>Vehicles</b>	
Opening Balance	0.05
Addition during the year	-
Reduction during the year	-
Depreciation During the year	0.00
Accumulated Depreciation	0.05
Closing Balance	0.00
<b>Gross Block</b>	<b>400.47</b>
<b>Net Addition</b>	<b>-</b>
<b>Total Depreciation For the Year (Including Depreciation on Revaluation)</b>	<b>0.23</b>
<b>Total Accumulated Depreciation</b>	<b>1.93</b>
<b>Net Block</b>	<b>398.32</b>

\* Free Hold Land being non depreciable amount, Depreciation on the same has not been provided

\*\*

The Company has not provided for Depreciation on Factory Building and Plant and Machinery as per useful life provided in the Schedule II, as the management is of the view that depreciation on the same would be provided once the commercial activity will again be started. On regaining the commercial activity, Depreciation as on date will be charged to Profit and Loss Account. Due to this, Depreciation is not as per Schedule II of the Companies Act, 2013.

#### Annexure VIII

#### STATEMENT OF NON CURRENT INVESTMENTS, AS RESTATED

(₹ in lakhs)

Particulars	As at November 15, 2017
Other investment in Equity Shares - Quoted	
9,71,190 shares of Lesha Industries Ltd.	145.98
8,55,000 shares of Gujarat Natural Resources Ltd.	74.40
12,50,000 shares of Anar Industries Ltd.	250.00
9,50,000 shares of Vivanza Biosciences Ltd. (Carrying Value)	83.73
(including Goodwill of Rs 11.27)	
Add: Share of Profit in Associates	3.32
<b>Total</b>	<b>557.45</b>
<b>Market Value of Quoted Investment</b>	<b>1,256.87</b>

**Annexure IX**  
**STATEMENT OF LONG TERM BORROWINGS,AS RESTATED**

(₹ in lakhs)

Particulars	As at November 15, 2017
<b>UNSECURED</b>	
Loan From Corporate Body	320.69
<b>Total</b>	<b>320.69</b>

**Annexure X**  
**STATEMENT OF OTHER NON CURRENT LIABILITIES, AS RESTATED**

(₹ in lakhs)

Particulars	As at November 15, 2017
Other Payables*	200.00
Other Non Current Liabilities	1.02
<b>Total</b>	<b>201.02</b>

\* There represent advances or deposits from stakeholders towards a real estate business which was subsequently cancelled and amounts have been refunded.

**Annexure XI**  
**STATEMENT OF SHORT TERM BORROWINGS,AS RESTATED**

(₹ in lakhs)

Particulars	As at November 15, 2017
<b>Loan from Directors</b>	521.80
<b>Total</b>	<b>521.80</b>

**Annexure XII**  
**STATEMENT OF OTHER CURRENT LIABILITIES, AS RESTATED**

(₹ in lakhs)

Particulars	As at November 15, 2017
Other Payables	-
Income Tax Provision	1.53
Other Current Liabilities	9.64
<b>Total</b>	<b>11.17</b>

**Annexure XIII**  
**STATEMENT OF OTHER NON CURRENT ASSETS , AS RESTATED**

(₹ in lakhs)

Particulars	As at November 15, 2017
Deferred Revenue Expenditure	62.40
Preliminary Expenses not written off	6.50
<b>Total</b>	<b>68.90</b>

**Annexure XIV**  
**STATEMENT OF SHORT TERM LOANS AND ADVANCES,AS RESTATED**

(₹ in lakhs)

Particulars	As at November 15, 2017
Advance to Corporate Body	5.00
Other Advances recoverable in cash /kind	85.42
<b>Total</b>	<b>90.42</b>

**Annexure XV**  
**STATEMENT OF TRADE RECEIVABLE, AS RESTATED**

(₹ in lakhs)

Particulars	As at November 15, 2017
Outstanding for more than 6 months	-
Outstanding for Less than 6 months	769.53
<b>Total</b>	<b>769.53</b>

**Annexure XVI**  
**STATEMENT OF CASH AND CASH EQUIVALENTS AS RESTATED**

(₹ in lakhs)

Particulars	As at November 15, 2017
Cash On Hand	3.07
Balances with Bank in Current A/C	7.68
	-
<b>Total</b>	<b>10.75</b>

**Annexure XVII**  
**STATEMENT OF OTHER CURRENT ASSETS, AS RESTATED**

(₹ in lakhs)

Particulars	As at November 15, 2017
Preliminary expenses not written off	14.29
<b>Total</b>	<b>14.29</b>

**Annexure XVIII**  
**STATEMENT OF OTHER INCOME, AS RESTATED**

(₹ in lakhs)

Particulars	As at November 15, 2017
Dividend Income	0.85
<b>Total</b>	<b>0.85</b>

**Annexure XIX**  
**STATEMENT OF REVENUE FROM OPERATIONS, AS RESTATED**

(₹ in lakhs)

Particulars	As at November 15, 2017
Sales (Traded Goods)	652.14
<b>Total</b>	<b>652.14</b>

**Annexure XX**  
**STATEMENT OF FINANCE COST, AS RESTATED**

(₹ in lakhs)

Particulars	As at November 15, 2017
Bank Charges and Interest	0.03
<b>Total</b>	<b>0.03</b>

**Annexure XXI**  
**STATEMENT OF OTHER EXPENSES, AS RESTATED**

(₹ in lakhs)

Particulars	As at November 15, 2017
Audit Fees	-

Particulars	As at November 15, 2017
Legal & professional expense	0.15
Miscellaneous Expenses	0.09
Preliminary expenses written off	0.24
ROC Fees	0.20
Short term capital loss	1.00
Processing fees	0.77
Rent expense	0.03
<b>Total</b>	<b>2.48</b>

## Annexure XXII

### 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

November 15 <sup>th</sup> , 2017
Shalin A. Shah
Leena A. Shah
Ashok C. Shah

(ii) Enterprises over which directors and / or their relatives have significant influence and we have transactions

November 15 <sup>th</sup> , 2017
Lesha Industries Limited
Gujarat Natural Resources Ltd.
Vivanza Biosciences Ltd.
Ashnisha Industries Limited
Lesha Agro Foods Private Ltd

(iii) Particulars of Transactions with Related Parties

**Key Managerial Personnel**

(₹ in lakhs)

Particulars	November 15 <sup>th</sup> , 2017
<b>1) Finance</b>	
Loan Taken	520.95
Interest on Loan	-
Loan Repaid	-
<b>2) Expenses</b>	
Remuneration	-
<b>3) Investment /Purchase of Shares</b>	8.05
<b>4) Outstanding</b>	
Loan Payable	521.80



**Relatives of Key Managerial Personnel**
*(₹ in lakhs)*

Particulars	As at November 15, 2017
Investment / Purchase of Shares	4.00

**Enterprises over which directors and / or their relatives have significant influence and we have transactions**
*(₹ in lakhs)*

Particulars	As at November 15, 2017
1) Rent Expenses	0.03
2) Closing Balance	
Investment in shares	557.45

**Annexure XXIII**
**STATEMENT OF CAPITALIZATION**
*(₹ in lakhs)*

Particular	Pre Offer (as at November 15, 2017)	Post Offer
<b>Debt</b>		
Long Term Debt(A)	320.69	320.69
Short Term Debt(B)	521.80	311.80
<b>Total Debts (C=A+B)</b>	<b>842.49</b>	<b>632.49</b>
<b>Equity (Shareholder's funds)</b>		
Equity share capital(D)	471.00	1,071.00
Reserve and Surplus as restated (E)	479.27	1,029.27
<b>Total shareholders' funds (F=D+E)</b>	<b>950.27</b>	<b>2,100.27</b>
<b>Long Term Debt / Equity Shareholder's funds</b>	<b>0.33</b>	<b>0.15</b>
<b>Total Debts / Equity Shareholder's funds</b>	<b>0.89</b>	<b>0.30</b>

**Note:**

- The above has been computed on the basis of Restated Financials of the Company.
- The above assumed that ₹. 600 lakhs will be added to the share capital from the IPO (based on management certification)
- The above further assumes that ₹. 600 lakhs will get added to the securities premium and further that ₹. 50 lakhs shall be deducted due to issue expenses. (based on management certification)
- The above assumes that ₹. 210 lakhs is used towards repayment of short term debt from the IPO proceeds. (based on management certification)

**Annexure XXIV**
**STATEMENT OF ACCOUNTING RATIOS, AS RESTATED**
*(₹ in lakhs except share data)*

Particulars	As at November 15, 2017
Restated PAT as per P & L Account	8.13
Actual Number of Equity Shares outstanding at the end of the year <sup>(1)</sup>	47,10,000
Equivalent Weighted Avg. number of Equity Shares at the end of the year <sup>(2)</sup>	7,50,611
Share Capital	471.00
Reserves & Surplus	479.27
Preliminary Expenses not w/o	14.30
Net Worth	935.97
Earnings Per Share:	1.08*
Basic & Diluted	1.08*

Particulars	As at November 15, 2017
Return on Net Worth (%)	0.86%
Net Asset Value Per Share (₹) - based on actual no. of equity shares at the end of the year )	19.87
Nominal Value per Equity share (₹) <sup>(1)</sup>	10.00

*\*Not Annualised*

## REPORT OF THE INDEPENDENT AUDITORS ON STANDALONE RESTATED FINANCIAL STATEMENTS

To,  
The Board of Directors,  
**Ashoka Metcast Limited,**  
7th Floor, Ashoka Chambers,  
Opp. HCG Hospital,  
Mithakhali Six Roads,  
Mithakhali Ahmedabad- 380006,  
Gujarat, India

We have examined Financial Statements and Other Financial Information of Ashoka Metcast 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 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 15<sup>th</sup> November ,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 15<sup>th</sup> November,2017 and for financial year ended on 31st March 2017, audited by M/s. Keyur Bavishi & Co and re-audited by us and from the financial statements for the financial years ended on 31<sup>st</sup> March 2016, 31<sup>st</sup> March 2015, 31<sup>st</sup> March 2014 and 31<sup>st</sup> March 2013 audited by M/s. Shah Shreyas & Associates, Chartered Accountants, being the Statutory Auditors of the Company for the respective years and approved by the Board of Directors. We did not carry out any validation tests or review procedures of financial statements prior to 31<sup>st</sup> March 2016 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 **Ashoka Metcast Limited** , we, GMCA & 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 November 15, 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 November 15, 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 June 30, 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 June 30, 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 Fixed Assets (Annexure - VIII)
- iv) Restated Statement of Other Non Current Investments (Annexure- IX)
- v) Restated Statement of Short Term Borrowings (Annexure- X)
- vi) Restated Statement of Non Current Liabilities (Annexure- XI)
- vii) Restated Statement of Cash and Cash Equivalents (Annexure- XII)
- viii) Restated Statement of Short Term Loans and Advances (Annexure- XIII)
- ix) Restated Statement of Other Current Assets (Annexure- XIV)
- x) Restated Statement of Trade Receivables (Annexure – XV)
- xi) Restated Statement of Other Current Liability (Annexure – XVI)
- xii) Restated Statement of Trade Paayable (Annexure - XVII)
- xiii) Restated Statement of Revenue from Operations (Annexure - XVIII)
- xiv) Restated Statement of Other Income (Annexure - XIX)
- xv) Restated Statement of Other Expenses (Annexure - XX)
- xvi) Restated Statement of Capitalization (Annexure – XXI)
- xvii) Restated Statement of Tax Shelter (Annexure – XXII)
- xviii) Restated Statement of Accounting Ratios (Annexure – XXIII)
- xix) Statement of Related Party Transactions (Annexure – XXIV)

4. In our opinion, the Restated Financial Statements and the other Financial Information set forth in Annexure I to XXXIII 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.

5. 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.
6. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
7. This report is intended solely for your information and for inclusion in the Offer document in connection with the Company's proposed IPO of equity shares and is not to be used, referred to or distributed for any other purpose without our prior written consent.

**For GMCA & Co**  
**Chartered Accountants**  
(Firm Registration No. 109850W)

**CA Mitt S. Patel**  
**Partner**  
Membership No: 163940  
Place: Hyderabad  
Date:12.11.2017

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

(₹ in lakhs)

Particulars	As at November 15,2017	As at March 31,				
		2017	2016	2015	2014	2013
<b>EQUITY AND LIABILITIES</b>						
<b>1.Shareholder's fund</b>						
a) Equity Share Capital	471.00	1.00	1.00	1.00	1.00	1.00
b)Reserves and surplus	475.70	0.30	-0.77	-0.90	-1.57	-0.46
<b>Total Shareholders Fund (1)</b>	<b>946.70</b>	<b>1.30</b>	<b>0.23</b>	<b>0.10</b>	<b>-0.57</b>	<b>0.54</b>
<b>2.Non-current liabilities</b>						
a) Other non current liabilities	200.00	1,052.07	1,817.37	-	-	-
b) Deferred Tax Liabilities	0.48	0.07	-	-	-	-
<b>Total(2)</b>	<b>200.48</b>	<b>1,052.14</b>	<b>1,817.37</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>3.Current liabilities</b>						
a) Short-term borrowings	504.60	-	10.36	127.73	136.16	43.50
b) Trade payables	-	3.16	-	-	-	81.00
c) Other Current Liabilities	7.22	1.59	0.25	0.20	0.22	0.20
<b>Total(3)</b>	<b>511.82</b>	<b>4.75</b>	<b>10.61</b>	<b>127.93</b>	<b>136.38</b>	<b>124.70</b>
<b>TOTAL(1+2+3)</b>	<b>1,659.00</b>	<b>1,058.19</b>	<b>1,828.21</b>	<b>128.03</b>	<b>135.81</b>	<b>125.23</b>
<b>ASSETS</b>						
<b>1.Non - Current Assets</b>						
a) Fixed Assets						
i.) Tangible assets	0.64	0.81	-	-	-	-
b) Non- Current Investments	861.00	461.50	366.00	116.00	116.00	116.00
<b>Total (1)</b>	<b>861.64</b>	<b>462.31</b>	<b>366.00</b>	<b>116.00</b>	<b>116.00</b>	<b>116.00</b>
<b>2.Current Assets</b>						
a) Trade Receivables	769.53	9.65	-	-	-	-
b) Cash and Cash equivalents	6.01	1.11	1.03	1.35	9.71	3.13
d) Short-term loans and advances	7.53	585.12	1461.11	10.61	10.03	6.03
e) Other current assets	14.30	-	0.07	0.07	0.07	0.07
<b>Total(2)</b>	<b>797.36</b>	<b>595.88</b>	<b>1,462.21</b>	<b>12.03</b>	<b>19.81</b>	<b>9.23</b>
<b>TOTAL(1+2)</b>	<b>1,659.00</b>	<b>1,058.19</b>	<b>1,828.21</b>	<b>128.03</b>	<b>135.81</b>	<b>125.23</b>

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

(₹ in lakhs)

Particulars	For the period ended November 15, 2017	For the year ended March 31,				
		2017	2016	2015	2014	2013
<b>INCOME:</b>						
Revenue from Operations(Net)	652.14	-	-	-	-	-
Other Income	0.35	9.85	0.35	0.88	0.35	-
<b>Total income</b>	<b>652.49</b>	<b>9.85</b>	<b>0.35</b>	<b>0.88</b>	<b>0.35</b>	<b>-</b>
<b>EXPENSES:</b>						
Employee benefits expense	1.10	0.40	-	-	-	-
Depreciation	0.17	0.03	-	-	-	-
Other Expenses	1.89	8.01	0.21	0.21	1.45	0.15
Purchases of stock in trade	642.00	-	-	-	-	-
<b>Total expenses</b>	<b>645.15</b>	<b>8.45</b>	<b>0.21</b>	<b>0.21</b>	<b>1.45</b>	<b>0.15</b>
<b>Net Profit / (Loss) before Tax</b>	<b>7.34</b>	<b>1.40</b>	<b>0.14</b>	<b>0.67</b>	<b>(1.10)</b>	<b>(0.15)</b>
<b>Less: Tax expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Provision for income tax	1.68	0.27	-	-	-	-
Deferred tax expense/ revenue	0.41	0.07	-	-	-	-
MAT credit entitlement	(0.15)	-	-	-	-	-
<b>Total Tax Expense</b>	<b>1.94</b>	<b>0.33</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Profit / ( Loss ) after tax</b>	<b>5.40</b>	<b>1.07</b>	<b>0.14</b>	<b>0.67</b>	<b>(1.10)</b>	<b>(0.15)</b>

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

(₹ in lakhs)

Particulars	For the period ended November 15, 2017	For the year ended March 31,				
		2017	2016	2015	2014	2013
<b>Cash Flow From Operating Activities</b>						
Net Profit Before Tax	7.34	1.40	0.14	0.67	(1.10)	(0.15)
Adjustments for :						
Short Term Capital Loss	0.50	-	-	-	-	-
Preliminary Expenses Written Off	0.24	0.07	-	-	-	-
Depreciation/Amortisation	0.17	0.03	-	-	-	-
<b>Operating Profit Before Working Capital Adjustments</b>	<b>8.25</b>	<b>1.51</b>	<b>0.14</b>	<b>0.67</b>	<b>(1.10)</b>	<b>(0.15)</b>
<b>Adjustment for Changes in Working Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Trade and other payable	(3.16)	3.16	-	-	(81.00)	-
Trade and other Receivables	(759.88)	(9.65)	-	-	-	-
Other Current Assets	(14.54)	-	-	-	-	-
Short Term Provisions	-	-	-	-	-	-
Other Current Liabilities	4.17	1.26	0.05	(0.02)	0.02	0.10
Non-current liabilities	(852.07)	(765.30)	1,817.37	-	-	-
<b>Cash Flow Generated from Operations</b>	<b>(1617.22)</b>	<b>(769.02)</b>	<b>1817.56</b>	<b>0.65</b>	<b>(82.08)</b>	<b>(0.05)</b>
Direct Tax Paid	(0.07)	(0.20)	-	-	-	-
<b>Net Cash flow from Operating activities (A)</b>	<b>(1617.29)</b>	<b>(769.22)</b>	<b>1817.56</b>	<b>0.65</b>	<b>(82.08)</b>	<b>(0.05)</b>
<b>Cash Flow From Investing Activities</b>						
(Purchase)/Sale of Fixed Assets	-	(0.84)	-	-	-	-
Non-Current Investments	(400.00)	(95.50)	(250.00)	-	-	-
<b>Net Cash Flow from Investing Activities (B)</b>	<b>(400.00)</b>	<b>(96.34)</b>	<b>(250.00)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash Flow From Financing Activities</b>						
Issue of share capital	470.00	-	-	-	-	-
Securities premium	470.00	-	-	-	-	-
Short term loans and advances	577.59	875.99	(1450.50)	(0.58)	(4.00)	2.52
Increase/(Decrease) in Short term borrowing	504.60	(10.36)	(117.37)	(8.43)	92.66	-
<b>Net Cash Flow from Financing Activities (C)</b>	<b>2,022.19</b>	<b>865.63</b>	<b>(1567.87)</b>	<b>(9.01)</b>	<b>88.66</b>	<b>2.52</b>
<b>Net Increase/ ( Decrease) in Cash and Cash Equivalents ( A + B + C )</b>	<b>4.90</b>	<b>0.07</b>	<b>(0.31)</b>	<b>(8.36)</b>	<b>6.58</b>	<b>2.47</b>
Cash & Cash equivalent at the beginning of the year	1.11	1.03	1.35	9.71	3.13	0.66
<b>Cash &amp; Cash Equivalent at the end of the year</b>	<b>6.01</b>	<b>1.10</b>	<b>1.03</b>	<b>1.35</b>	<b>9.71</b>	<b>3.13</b>

**ANNEXURE IV**

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Corporate Information**

The Company was incorporated as “Tanya Estate Private Limited” on July 29, 2009 under the Companies Act, 1956 with the Registrar of Companies, Gujarat at Dadra and Nagar Haveli. The company had in its earlier years began to



develop real estate, infrastructure and land plotting vertical; however; due to unforeseen circumstances and changes in market dynamics the real estate business division faced delays in execution of its plans and eventually could not complete the proposed acquisition and related plans. Hence the company was thereafter non-operative (from an operating income point of view) for over 7 years and has been over time looking to re-align its business model and financial allocations.

Vide resolution dated July 20, 2017, our company has changed its main objects and the name was changed to The name of our Company was changed from “*Tanya Estate Private Limited*” to “*Ashoka Metcast Private Limited*” and a fresh certificate of incorporation was issued on September 13, 2017 by the Registrar of Companies, Gujarat at Dadra and Nagar Haveli. Further the status of our company was changed to a public limited company by a special resolution passed at a shareholders’ meeting on October 23, 2017. A fresh Certificate of Incorporation consequent upon conversion of company to public limited Company was issued on November 09, 2017 by the Registrar of Companies, Gujarat at Dadra and Nagar Haveli and consequently name of our Company was changed to “*Ashoka Metcast Limited*”. Our Company’s Corporate Identification Number is U45200MH1997PLC110971.

The company is currently engaged in trading and manufacturing of structural steel products like TMT bars, angles, channels, MS Bars etc.

## **B. Summary of Significant Accounting Policies**

### **(a) Basis for preparation of financial statement**

The financial statements have been prepared under the historical cost convention in accordance with the General Accepted Principles (GAAP) in India and is complying in all material aspects with the accounting standards specified u/s 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016 and relevant provision of the Companies Act, 2013 as adopted consistently by the company.

### **(b) Use of Estimates**

The preparation of financial statements is in conformity with generally accepted accounting principles require the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the result of operations during the reporting period. Although these estimates are based upon management’s best knowledge of current events and actions, actual results could differ from these estimates. Significant estimates used by the management in the preparation of these financial statements include estimates of the economic useful lives of fixed assets and provisions for bad and doubtful debts. Any revision to accounting estimates is recognized prospectively.

### **(c) Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured with reasonable certainty of its recovery.

- i. Sales of goods are recognized when the significant risk and rewards of ownership of the goods have been passed to the customer.
- ii. Income from services rendered is accounted for when the work is performed and is exclusive of service tax.
- iii. Interest income is recognized on accrual basis taking into account the amount outstanding and the rate applicable.

### **(d) Expenditure**

Expenditures are accounted for on accrual basis and provision is made for all known losses and liabilities.

### **(e) Fixed Assets**

Fixed assets are stated at the cost of acquisition or construction less accumulated depreciation and write down for, impairment if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

## Capital Work in Progress

Capital work in progress comprises of expenditure incurred on Infrastructure Development on Aler location.

## Intangible Assets

Intangible assets are amortised over the period of the useful life of the rights and it begins when the asset is available for use. Intangible assets of infinite useful lives are not amortized but subject to impairment test, on an annual basis. Intangible assets are represented by non-monetary elements, identifiable and lacking physical consistency, controllable and capable of generating future economic benefits. These elements are recorded at purchase and/or production cost, inclusive of any directly attributable expenses for preparing the asset for use, net of accumulated amortisation and any impairment losses.

### (f) Valuation of Inventories

#### i. Raw Materials, Packing materials, Stores and Spares

Lower of the cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below the cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on FIFO basis..

#### ii. Stock-in-process and Finished goods

Finished Goods and stock-in-process are valued at lower of cost and net realizable value whichever is lower. Stock-in-process and finished goods are valued at cost of purchase, Cost of Conversion and other costs Incurred in bringing the inventories to their present location and condition. .

iii. Net realizable Value is the estimated selling price in the ordinary course of business minus estimated cost of completion and estimated cost that are necessary to make the sale.

### (g) Depreciation

Depreciation is a systematic allocation of depreciable amount of an asset over its useful life in Straight Line Method.

Deviation from Schedule II as to useful life, if any, will be disclosed in accounts suitably. Depreciation on additions is provided at prorate basis from the month of installation or date of commencement of commercial production.

Depreciation is recognized so as to write off the cost of assets less than residual value over their useful lives using Straight Line Method

The estimated useful lives, residual value and depreciation are reviewed at the end of each reporting period with the effect of any changes in estimate useful lives are accounted for on a prospective basis

### (h) Impairment of Fixed Assets

i) The carrying amount of assets, other than inventories, is reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated.

ii) The impairment loss is recognized whenever the carrying amount of an asset or its cash generation unit exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in the uses which is determined based on the estimated future cash flow discounted to their present values. All impairment losses are recognized in the Statement of Profit and Loss.

iii) An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount and is recognized in the Statement of Profit and Loss.

**(i) Employee Benefits****i) Short Term Benefits**

All employees' benefits due wholly within a year of rendering services are classified as short term benefits. These benefits like salaries, wages, short term compensation absences, expected cost of bonus, ex-gratia are recognized as expenses on accrual basis of undiscounted amounts in the Profit and Loss Account.

**ii) Retirement Benefits - Defined Contribution Plan:**

Employee's contribution to Provident fund and Employee State Insurance are recognized as expenditure in statement of Profit and Loss, as they are incurred. There are no other obligations other than the contribution payable to aforesaid respective Trusts / Govt. Authorities. The company does not have the requisite number of employees with five continuous years of service and hence gratuity provision is not applicable.

**iii) Defined Benefit Plan:**

The company provides for gratuity as defined benefit plan. There are no other post retirement benefits. The defined benefit gratuity obligation on annual basis is determined by actuarial valuation using the projected unit credit method on renewal date.

The annual contribution paid during the year towards gratuity liability is recognized as funded expenses and unfunded part of the gratuity liability determined on actuarial basis is provided as unfunded gratuity liability

**(j) Taxation**

Provision for Tax for the year comprises current Income Tax and Deferred Tax and is provided as per the Income Tax Act, 1961.

Deferred tax resulting from timing differences between the Book and the Tax Profits is accounted for, at the current rate of tax, to the extent that the timing differences are expected to crystallize. Deferred Tax Assets are recognized only to the extent there is reasonable certainty that the assets can be realized in the future; however where there is unabsorbed depreciation or carried forward loss under taxation laws, Deferred Tax Assets are recognized only if there is a virtual certainty of realization of such assets. Deferred Tax Assets / Liabilities are reviewed as at each Balance Sheet date.

**(k) Cash and Cash Equivalents**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (within original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value

**(l) Cash Flow Statement**

The Cash Flow Statement has been compiled from and is based on the Balance Sheet and the related Profit and Loss Account for the year ended on that date. The Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard - 3 on Cash Flow Statement issued by ICAI Cash and cash equivalents in the cash flow statement comprise cash at bank, cash/cheques in hand and short term investments with an original maturity of three months or less

**(m) 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.

**(n) Foreign currency transactions**

**(i) Initial recognition**

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction.

**(ii) Conversion**

The outstanding transactions other than those covered by forward contracts at the end of the year are accounted at the rates prevailing as on Balance sheet date.

**(iii) Forward Exchange Contracts**

In respect of transactions covered by foreign exchange contracts, the difference between forward trade and exchange rate and the exchange rate on the date of transaction is recognized over the period of contract.

**(iv) Exchange differences**

All exchange differences arising on settlement/conversion/payment of foreign currency transactions are recognized as Income or Expenses in Profit and Loss Account.

**(o) Borrowing Costs**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to statement of Profit and Loss.

**(p)** As per Cost Audit applicability, the Management has represented that cost compliance is not applicable for FY 2016-17 as Company is small scale industry under MSMED Act,2006

**(q) Earnings Per Share**

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

**ANNEXURE V  
NOTES TO ACCOUNTS**

**ADJUSTMENTS MADE IN RESTATED FINANCIAL STATEMENTS / REGROUPING NOTES**

**1) 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). There have been no restatements which have affected the profit after tax of any of the respective years as compared to its audited financials.

**2) 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.

3) 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.

**4) Changes in Accounting Policies in the Last Five Years:**

There is no change in accounting policy in the last five years.

**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:**

The company does not have operating income in any of previous accounting years prior to the current accounting period ended November 15, 2017. The company is currently engaged in only one segment – steel and steel related products. Hence AS-17 is not applicable to the company.

**9) Managerial Remuneration:**

(₹ in Lakhs)

Particulars	For the period ended November 15, 2017	For the year ended March 31,				
		2017	2016	2015	2014	2013
<u>Whole Time Directors Remuneration</u>						
Salaries and Allowances	-	-	-	-	-	-
Sitting Fees	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-

**10) Remuneration to Statutory Auditors:**

(₹ in Lakhs)

Particulars	For the period ended November 15, 2017	For the year ended March 31,				
		2017	2016	2015	2014	2013
Statutory Audit Fees	-	0.08	0.08	0.05	0.05	0.05
Tax Audit Fees	-	-	-	-	-	-
<b>Total</b>	-	<b>0.08</b>	<b>0.08</b>	<b>0.05</b>	<b>0.05</b>	<b>0.05</b>

**11) Deferred tax**

(₹ in Lakhs)

Particulars	For the Period ended November 15, 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>						

Particulars	For the Period ended November 15, 2017	For the year ended March 31,				
		2017	2016	2015	2014	2013
Opening Balance	0.07	-	-	-	-	-
Depreciation/Preliminary expenses	0.41	0.07	-	-	-	-
<b>Closing Balance</b>	<b>0.48</b>	<b>0.07</b>	-	-	-	-

**Annexure VI  
RESTATED STATEMENT OF SHARE CAPITAL, AS RESTATED**

(₹ in lakhs)

Particulars	For the period ended November 15, 2017	For the year ended March 31,				
		2017	2016	2015	2014	2013
<b>Equity Share Capital</b>						
<b>Authorized Share capital</b>						
10,000 Equity Shares of ₹ 10/- each	-	1.00	1.00	1.00	1.00	1.00
1,10,00,000 Equity Shares of ₹. 10/- each	1100.00	-	-	-	-	-
<b>T O T A L</b>	<b>1100.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>
<b>Issued, Subscribed and Fully Paid Up Equity Share Capital</b>						
10,000 Equity Shares of ₹ 10/- each, fully paid up.	-	1.00	1.00	1.00	1.00	1.00
47,10,000 Equity Shares of ₹ 10/- each, fully paid	471.00	-	-	-	-	-
<b>T O T A L</b>	<b>471.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>

**Reconciliation of number of shares outstanding:**

Particulars	As at November 15, 2017	As at March 31,				
		2017	2016	2015	2014	2013
<b>Equity Shares</b>						
Equity shares at the beginning of the year of ₹ 10/- each	10,000	10,000	10,000	10,000	10,000	10,000
Allotment during the year	47,00,000	-	-	-	-	-
Forfeiture during the year	-	-	-	-	-	-
<b>Equity Shares at the end of the year</b>	<b>47,10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>

**Annexure VII  
DETAILS OF RESERVES AND SURPLUS, AS STATED**

(₹ in lakhs)

Particulars	As at November 15, 2017	As at March 31,				
		2017	2016	2015	2014	2013
<b>General Reserve</b>						
Opening Balance	0.30	(0.77)	(0.90)	(1.57)	(0.46)	(0.32)
Add/ (Less) : Net Profit/ net loss for the year	5.40	1.07	0.14	0.67	(1.10)	(0.15)
Securities Premium A/C	470.00	-	-	-	-	-
<b>Closing Reserves</b>	<b>475.70</b>	<b>0.30</b>	<b>(0.77)</b>	<b>(0.90)</b>	<b>(1.57)</b>	<b>(0.46)</b>

**Annexure VIII  
DETAILS OF FIXED ASSETS AS RESTATED:**

(₹ in lakhs)

Particulars	As at November 15, 2017	As at March 31,				
		2017	2016	2015	2014	2013
<b>Computers</b>						

Particulars	As at November 15, 2017	As at March 31,				
		2017	2016	2015	2014	2013
Gross Block	0.84	-	-	-	-	-
Addition during the year	-	0.84	-	-	-	-
Reduction during the year	-	-	-	-	-	-
Depreciation During the year	0.17	0.03	-	-	-	-
Accumulated Depreciation	0.20	0.03	-	-	-	-
<b>Closing Balance (Net Block)</b>	<b>0.64</b>	<b>0.81</b>	-	-	-	-

**Annexure IX**  
**DETAILS OF OTHER NON-CURRENT INVESTMENT AS RESTATED**

(₹ in lakhs)

Particulars	As at November 15, 2017	As at March 31,				
		2017	2016	2015	2014	2013
<b>Investment in equity shares of subsidiary (unquoted)</b>						
40,00,000 shares of Shree Ghantakarna Rolling Mills (100%)	400.00	-	-	-	-	-
<b>Investment in equity shares of associate (quoted)</b>						
9,50,000 shares of Vivanza Biosciences Ltd. (23.75%)	95.00	-	-	-	-	-
<b>Other investment in Equity Shares - Quoted</b>						
5,16,240 shares of Lasha Industries Ltd.	92.09	92.09	92.09	92.09	92.09	92.09
3,50,000 shares of Gujarat Natural Resources Ltd.	23.91	23.91	23.91	23.91	23.91	23.91
12,50,000 shares of Anar Industries Ltd.	250.00	250.00	250.00	-	-	-
2,25,000 shares of Vivanza Biosciences Ltd.	-	22.50	-	-	-	-
7,25,000 warrants of Vivanza Biosciences Ltd.	-	72.50	-	-	-	-
<b>Other Investment in Equity Shares- Unquoted</b>						
5,000 shares of Ashnisha Industries Ltd.	-	0.50	-	-	-	-
<b>TOTAL</b>	<b>861.00</b>	<b>461.50</b>	<b>366.00</b>	<b>116.00</b>	<b>116.00</b>	<b>116.00</b>

Particulars	As at November 15, 2017	As at March 31,				
		2017	2016	2015	2014	2013
Aggregate Book Value of Quoted Investments	461.00	138.50	116.00	116.00	116.00	116.00
Aggregate Market Value of Quoted Investments	1,066.93	1543.77	1,057.30	481.01	672.46	346.98

**Annexure X**  
**DETAILS OF SHORT TERM BORROWINGS, AS RESTATED**

(₹ in lakhs)

Particulars	As at November 15, 2017	As at March 31,				
		2017	2016	2015	2014	2013
Loans from Group Company	-	-	-	-	-	4.70
Loans from Directors	504.6		10.36	10.36	10.50	30.51
Loans from Others (ICD)	-	-	-	117.37	125.66	8.29
<b>Total</b>	<b>504.6</b>		<b>10.36</b>	<b>127.73</b>	<b>136.16</b>	<b>43.50</b>

Note:

The above borrowings were repayable on demand and do not carry any fixed interest rate.

**Annexure XI**  
**DETAILS OF NON CURRENT LIABILITIES, AS RESTATED**

(₹ in Lakhs)

Particulars	As at November 15, 2017	As at March 31,				
		2017	2016	2015	2014	2013
Other Payables*	200.00	1,052.07	1,817.37	-	-	-
<b>Total</b>	<b>200.00</b>	<b>1,052.07</b>	<b>1,817.37</b>	<b>-</b>	<b>-</b>	<b>-</b>

\* There represent advances or deposits from stakeholders towards a real estate business which was subsequently cancelled and amounts have been refunded.

**Annexure XII**  
**DETAILS OF CASH & CASH EQUIVALENTS AS RESTATED**

(₹ in lakhs)

Particulars	As at November 15, 2017	As at March 31,				
		2017	2016	2015	2014	2013
Cash On Hand	2.27	0.18	0.95	1.25	4.78	3.04
Balances with Bank in Current A/C	3.73	0.92	0.09	0.10	4.93	0.09
<b>TOTAL</b>	<b>6.01</b>	<b>1.11</b>	<b>1.03</b>	<b>1.35</b>	<b>9.71</b>	<b>3.13</b>

**Annexure XIII**  
**DETAILS OF SHORT TERM LOANS AND ADVANCES AS RESTATED**

(₹ in lakhs)

Particulars	As at November 15, 2017	As at March 31,				
		2017	2016	2015	2014	2013
Advances to Related Parties	-	-	-	-	-	-
<b>Others Advances</b>						
Advance to Corporate Body*	-	584.96	1460.50	10.61	10.03	6.03
Advance to Others	7.53	0.16	0.61	-	-	-
<b>Total</b>	<b>7.53</b>	<b>585.12</b>	<b>1461.11</b>	<b>10.61</b>	<b>10.03</b>	<b>6.03</b>

\* There pertain to business advances for earlier real estate business which was subsequently cancelled and amounts were recovered / settled.

**Annexure XIV**  
**DETAILS OF OTHER CURRENT ASSETS AS RESTATED**

(₹ in lakhs)

Particulars	As at November 15, 2017	As at March 31,				
		2017	2016	2015	2014	2013
Preliminary Expenses (not written off)	14.30	-	0.07	0.07	0.07	0.07
<b>Total</b>	<b>14.30</b>	<b>-</b>	<b>0.07</b>	<b>0.07</b>	<b>0.07</b>	<b>0.07</b>

**Annexure XV**  
**DETAILS OF TRADE RECEIVABLE AS RESTATED**

(₹ in lakhs)

Particulars	As at November 15, 2017	As at March 31,				
		2017	2016	2015	2014	2013
Outstanding for more than 6 months	-	-	-	-	-	-
Outstanding for Less than 6 months	769.53	9.65	-	-	-	-



Particulars	As at November 15, 2017	As at March 31,				
		2017	2016	2015	2014	2013
<b>Total</b>	<b>769.53</b>	<b>9.65</b>	-	-	-	-

**Annexure XVI**  
**DETAILS OF OTHER CURRENT LIABILITIES AS RESTATED**

(₹ in Lakhs)

Particulars	For the period ended November 15, 2017	For the year ended March 31,				
		2017	2016	2015	2014	2013
Other Payables	-	1.37	0.25	0.20	0.22	0.20
Income Tax Provisions (after Net of MAT Credit Entitlement)	1.53	0.07	-	-	-	-
Other current liabilities	5.69	0.15	-	-	-	-
<b>Total Current Liabilities</b>	<b>7.22</b>	<b>1.59</b>	<b>0.25</b>	<b>0.20</b>	<b>0.22</b>	<b>0.20</b>

**Annexure XVII**  
**DETAILS OF TRADE PAYABLE AS RESTATED**

(₹ in Lakhs)

Particulars	For the period ended November 15, 2017	For the year ended March 31,				
		2017	2016	2015	2014	2013
Trade Payables	-	3.16	-	-	-	-
<b>Total</b>	<b>-</b>	<b>3.16</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Annexure XVIII**  
**DETAILS OF REVENUE FROM OPERATIONS AS RESTATED**

(₹ in Lakhs)

Particulars	For the period ended November 15, 2017	For the year ended March 31,				
		2017	2016	2015	2014	2013
Sales (Traded Goods)	652.14	-	-	-	-	-
<b>Total</b>	<b>652.14</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Annexure XIX**  
**DETAILS OF OTHER INCOME AS RESTATED**

(₹ in Lakhs)

Particulars	For the period ended November 15, 2017	For the year ended March 31,				
		2017	2016	2015	2014	2013
<b>Other income</b>						
Dividend Income	0.35	-	0.35	0.88	0.35	-
Service Fee Income	-	9.85	-	-	-	-
<b>Total</b>	<b>0.35</b>	<b>9.85</b>	<b>0.35</b>	<b>0.88</b>	<b>0.35</b>	

**Annexure XX**  
**DETAILS OF OTHER EXPENSES**

(₹ in Lakhs)

Particulars	For the period ended November 15, 2017	For the year ended March 31,				
		2017	2016	2015	2014	2013
<b>Other Expenses</b>						
<b>Administration Expenses</b>						
Audit Fees	-	0.08	0.08	0.05	0.05	0.05
Legal & professional expense	0.15	-	0.08	0.06	0.08	0.05
Miscellaneous Expenses	0.08	-	0.06	0.10	0.01	0.05
Job work charges	-	7.83	-	-	-	-
Preliminary expenses written off	0.24	0.07	-	-	-	-
Bank charges	0.01	0.01	-	-	-	-
Demat charges	-	0.02	-	-	-	-
ROC Fees	0.10	0.01	-	-	-	-
Donation	-	-	-	-	-	-
Short term capital loss	0.50	-	-	-	-	-
Processing fees	0.77	-	-	-	-	-
Rent expense	0.03	-	-	-	-	-
Website expense	0.01	-	-	-	-	-
Round Off	-	-	-	-	-	-
<b>Total (a + b + c + d + e)</b>	<b>1.89</b>	<b>8.01</b>	<b>0.21</b>	<b>0.21</b>	<b>1.45</b>	<b>0.15</b>
<b>Purchase of stock in trade</b>						
Purchases	642.00	-	-	-	-	-
<b>TOTAL</b>	<b>642.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Annexure XXI**  
**STATEMENT OF CAPITALISATION**

(₹ in Lakhs)

Particulars	Pre issue (as on November 15, 2017)	Post issue
<b>Borrowings</b>		
Short term debt (A)	504.60	294.60
Long Term Debt (B)	-	-
<b>Total debts (C=A+B)</b>	<b>504.60</b>	<b>294.60</b>
<b>Shareholders' funds</b>		
Equity share capital (D)	471.00	1,071.00
Reserve and surplus - as restated (E)	475.70	1,025.70
<b>Total shareholders' funds (F=D+E)</b>	<b>946.70</b>	<b>2,096.70</b>
<b>Long term debt / shareholders funds</b>	<b>-</b>	<b>-</b>
<b>Total debt / shareholders funds</b>	<b>0.53</b>	<b>0.14</b>

**Note:**

5. The above has been computed on the basis of Restated Financials of the Company.
6. The above assumed that ₹. 600 lakhs will be added to the share capital from the IPO (based on management certification)
7. The above further assumes that ₹. 600 lakhs will get added to the securities premium and further that ₹. 50 lakhs shall be deducted due to issue expenses. (based on management certification)
8. The above assumes that ₹. 210 lakhs is used towards repayment of short term debt from the IPO proceeds. (based on management certification)

**Annexure XXII**

**STATEMENT OF TAX SHELTERS AS RESTATED**

Particulars	For the period ended November 15, 2017	For the year ended March 31,				
		2017	2016	2015	2014	2013
<b>Tax Rates</b>						
Income Tax Rate (%)	30.90%	29.87%	30.90%	30.90%	30.90%	30.90%
Minimum Alternate Tax Rate (%)	19.05%	19.05%	19.05%	19.05%	19.05%	19.05%
<b>Restated Income before tax as per books (A)</b>	7.34	<b>1.40</b>	<b>0.14</b>	<b>0.67</b>	<b>(1.10)</b>	<b>(0.15)</b>
<b>Incomes considered separately</b>						
Dividend / Exempt	0.35	-	0.35	0.88	0.35	-
<b>Total Incomes considered separately (B)</b>	0.35	-	0.35	0.88	0.35	-
<b>Restated Profit other than income considered separately (C)=(A-B)</b>	<b>6.99</b>	<b>1.40</b>	<b>(0.21)</b>	<b>(0.21)</b>	<b>(1.45)</b>	<b>(0.15)</b>
<b>Tax Adjustment</b>	-	-	-	-	-	-
<b>Permanent Differences</b>						
Disallowance as per section 37	-	-	-	-	-	-
Gratuity Added back	-	-	-	-	-	-
Foreign Exchange Fluctuation	-	-	-	-	-	-
Income Tax	-	-	-	-	-	-
TDS	-	-	-	-	-	-
Long Term Capital Loss (Gains)	-	-	-	-	-	-
Tuffs Capital subsidy	-	-	-	-	-	-
43B disallowances	-	-	-	-	-	-
LIC Gratuity Payable	-	-	-	-	-	-
Interest on TDS	-	-	-	-	-	-
Deferred Tax	-	-	-	-	-	-
Donation	-	-	-	-	1.31	-
<b>Total Permanent Differences (D)</b>	-	-	-	-	<b>1.31</b>	-
<b>Timing Differences</b>						
Depreciation as per Books	(0.17)	(0.03)	-	-	-	-
Depreciation as per Income Tax	(0.15)	(0.25)	-	-	-	-
Preliminary Expenses u/s 35D	<b>(1.82)</b>	-	-	-	-	-
Preliminary Expenses as per Books	<b>(0.24)</b>	-	-	-	-	-
<b>Total Timing Differences (E)</b>	(1.56)	<b>(0.22)</b>	-	-	-	-
<b>Income From Business or Profession (F)=(C+D+E)</b>	<b>5.43</b>	<b>1.18</b>	<b>(0.21)</b>	<b>(0.21)</b>	-	-
<b>Income From House Property (G)</b>						
Rent Received	-	-	-	-	-	-
Less: Standard Deductions	-	-	-	-	-	-
<b>Taxable income from house property (G)</b>						
<b>Taxable Income/(Loss) (F+G)</b>	<b>5.40</b>	<b>1.18</b>	<b>(0.21)</b>	<b>(0.21)</b>	<b>(0.14)</b>	<b>(0.15)</b>
Brought Forward Losses	-	(0.80)	(0.59)	(0.38)	(0.23)	-
<b>Net Taxable Income</b>	5.40	<b>0.38</b>	<b>(0.80)</b>	<b>(0.59)</b>	<b>(0.37)</b>	<b>(0.15)</b>
<b>Tax on Total Income</b>	1.67	<b>0.11</b>	-	-	-	-

Particulars	For the period ended November 15, 2017	For the year ended March 31,				
		2017	2016	2015	2014	2013
<b>MAT on Book Profit</b>	1.40	<b>0.27</b>	-	-	-	-
Tax paid as per normal or MAT	NORMAL	MAT	-	-	-	-
Total Tax as per Return	1.51	0.27	-	-	-	-
Diff	-	(0.15)	-	-	-	-

**Notes:**

1. The aforesaid Statement of tax Shelters has been prepared as per the 'Restated Profit and Loss Account.

**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 XXIII**

**STATEMENT OF ACCOUNTING RATIOS, AS RESTATED**

(` in Lakhs)

Particulars	For the period ended November 15, 2017	For the year ended March 31,				
		2017	2016	2015	2014	2013
Restated PAT as per P & L Account	5.40	1.07	0.14	0.67	(1.10)	(0.15)
Actual Number of Equity Shares outstanding at the end of the year	4,71,000	10,000	10,000	10,000	10,000	10,000
Equivalent Weighted Avg number of Equity Shares at the end of the year	7,50,611	10,000	10,000	10,000	10,000	10,000
Share Capital	471.00	1.00	1.00	1.00	1.00	1.00
Reserves & Surplus	475.70	0.30	(0.77)	(0.90)	(1.57)	(0.46)
Misc. Expenses not w/off	14.30		0.07	0.07	0.07	0.07
Net Worth	932.41	1.30	0.16	0.03	(0.64)	0.46
<b>Earnings Per Share:</b>						
Basic & Diluted	0.72**	10.67	1.37	6.66	(11.03)	(1.49)
Return on Net Worth (%)	0.58%**	81.95 %	83.50 %	2459.50 %*	-	-
Net Asset Value Per Share (Rs) - based on actual no. of equity shares at the end of the year	19.80	0.13	0.02	-	(0.06)	0.06
Nominal Value per Equity share (₹)	10.00	10.00	10.00	10.00	10.00	10.00

\* Since the company had carried forward losses during FY 2015 the RONW is skewed due to low net worth.

\*\*Not Annualised

Notes to Accounting Ratios:

1) The Ratios have been computed as follows:

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

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

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

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 XXIV**

**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:

(iv) Key Managerial Personnel & Relatives

For the period ended November 15, 2017, 2017	For the year ended March 31,				
	2017	2016	2015	2014	2013
Shalin . A Shah	Shalin . A Shah	Shalin . A Shah	Shalin . A Shah	Shalin . A Shah	Shalin . A Shah
	Leena A. Shah	Leena A. Shah	Leena A. Shah	Leena A. Shah	Leena A. Shah

(v) Relatives of KMP

For the period ended November 15, 2017, 2017	For the year ended March 31,				
	2017	2016	2015	2014	2013
Leena A. Shah					
Ashok Shah					

(vi) Associates / Enterprises over which directors and / or their relatives has significant influence

For the period ended November 15, 2017	For the year ended March 31,				
	2017	2016	2015	2014	2013
Lesha Industries Ltd .	Lesha Industries Ltd .	Lesha Industries Ltd .	Lesha Industries Ltd .	Lesha Industries Ltd .	Lesha Industries Ltd .
Gujarat Natural Resources Ltd.	Gujarat Natural Resources Ltd.	Gujarat Natural Resources Ltd.	Gujarat Natural Resources Ltd.	Gujarat Natural Resources Ltd.	Gujarat Natural Resources Ltd.
Shree Ghantakarna Rolling Mills Pvt. Ltd	Shree Ghantakarna Rolling Mills Pvt Ltd	-	-	-	-
Ashnisha Industries Ltd.	Ashnisha Industries Ltd.	-	-	-	-
Lesha Agro Foods Private Ltd.	Shalin A Shah HUF	-	-	-	-
Vivanza Biosciences Ltd.	-	-	-	-	-

(vii)Particulars of Transactions with Related Parties

**Key Management Personnel & Relatives**

(₹ in lakhs)

Particulars	As at November 15, 2017	For the year ended March 31,				
		2017	2016	2015	2014	2013
<b>1) Finance</b>						
<b>- Loans Taken</b>						
Loan taken during the year	504.60	21.00			-	
Repaid during the year		31.36	-	0.14	20.00	
<b>2) Purchase of shares</b>	12.05	-	-	-	-	-
<b>3) Outstanding</b>						
Receivables	-	-	-	-	-	-
Payables	504.60	-	10.36	10.36	10.50	30.50

Associates / Enterprises over which directors and / or their relatives has significant influence

(₹ in lakhs)

Particulars	For the period ended November 15, 2017	For the year ended March 31,				
		2017	2016	2015	2014	2013
<b>1) Incomes</b>						
Service Fee Income	-	9.85	-	-	-	-
<b>2) Finance</b>						
Loan Taken	-	-	-	-	-	-
Repayment of Loan	-	-	-	-	4.70	-
<b>3) Investment in Equity Shares</b>						
-SGRMPL	387.95	-	-	-	-	4.70
-Ashnisha Industries Ltd.	(0.50)*	0.50	-	-	-	-

Particulars	For the period ended November 15, 2017	For the year ended March 31,				
		2017	2016	2015	2014	2013
-Vivanza Biosciences Ltd.	72.50**					
<b>4) Expenses</b>						
Rent Expenses	0.03					
<b>5) Outstanding</b>						
Payables						4.70
Investments in shares	611.00	116.00	116.00	116.00	116.00	116.00

\* The investment value was written off as capital loss.

\*\* The company has in earlier financial year (FY 2017) invested in equity shares and warrants of VBL. The aggregate holding of the company was less than 20% as on 31<sup>st</sup> March 2017. Subsequently upon conversion of warrants the company become a shareholder of VBL (holding more than 20% share capital) during said period. The amount of warrant conversion during the year is ₹72.50 Lakhs and total investment book value is ₹. 92.50 lakhs.

## MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

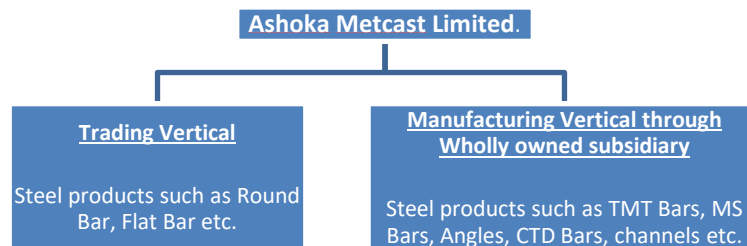
You should read the following discussion and analysis of financial condition and results of operations together with our financial statements included in this Draft Prospectus. The following discussion relates to our Company and is based on our restated financial statements. Our financial statements 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 as “Tanya Estates Pvt. Ltd.” on 29<sup>th</sup> July, 2009 with RoC, Gujarat. For details of our change in name as well as past business activities refer “History and Certain corporate matters” beginning on page no. 97 respectively of this Draft Prospectus.

Our company is currently engaged in trading and manufacturing of structural steel products like TMT bars, angles, channels, MS Bars etc. The business model of the company is as explained below:



The Company plans to leverage its group and promoter networks in the real estate and infrastructure space as well as strong balance sheet situation to increase its presence in the structural steel market of Gujarat and Western India. The company has commenced its trading operations in September 2017. The company is in the process of building a structural steel focussed trading vertical as well as developing a strong team to cater to its proposed increased operational needs.

Further the company has recently acquired 100% stake in Shree Ghantakarna Rolling Mills Pvt. Ltd. (making it its wholly owned subsidiary company). Our subsidiary company owns a rolling mill having aggregate installed capacity of 12,000 tons; however the same has been non-operational for 16 years due to internal financial constraints as well as market conditions. Post acquisition we have begun the process of revamping as well as expanding its production facilities and we intend to begin its production in April 2018 with an aggregate installed capacity of 18,000 tons per annum.

As on November 30, 2017 our company employed 8 people on its payroll.

For further details regarding our business operations, please see the chapter titled “Our Business” beginning on page no. 84 of this Draft Prospectus

### COMPETITION

Steel being a global industry, we face competition from various domestic and international manufacturers and traders. Competition emerges from small as well as big players in the steel industry. The organized players in the industry compete with each other by providing high quality, consistent and time bound products and value added services. We have a number of competitors offering products similar to us. We believe the principal elements of competition in our line of business are ready finance, consistent and quality products, prompt availability and strong relations with



structural steel product market and especially TMT bars manufacturers & traders. We compete against our competitors by establishing ourselves as a knowledge-based trading and manufacturing company with cordial relations with various suppliers, which enables us to provide our customers with bulk quantities at reasonable rates to meet their requirements.

### **Significant Developments after November 15, 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 Draft 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 Draft Prospectus, the following important factors could cause actual results to differ materially from the expectations include, among others:

#### ***Revenue Generation***

We would earn our entire revenue from sale of steel products. Since we continuously endeavour to provide quality products to our customers therefore, our revenues are and would be impacted by the quality of our products.

#### ***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***

As a Company with its complete operations in India, 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 June 30, 2017	% of Total Income	For the year ended March 31,									
			2017	% of Total Income	2016	% of Total Income	2015	% of Total Income	2014	% of Total Income	2013	% of Total Income
<b>INCOME:</b>												
Revenue from Operations(Net)	652.14	99.95%	-	-	-	-	-	-	-	-	-	-
Other Income	0.35	0.05%	9.85	100.00%	0.35	100.00%	0.88	100.00%	0.35	100.00%	-	-
<b>Total income</b>	<b>652.49</b>	<b>100.00%</b>	<b>9.85</b>	<b>100.00%</b>	0.35	100.00%	0.88	100.00%	0.35	100.00%	-	-
<b>EXPENSES:</b>												
Employee benefits expense	1.10	0.17%	0.40	4.06%	-	-	-	-	-	-	-	-
Depreciation	0.17	0.03%	0.03	0.30%	-	-	-	-	-	-	-	-
Other Expenses	1.89	0.29%	8.01	81.37%	0.21	60.88%	0.21	23.93%	1.45	414.29%	-	0.15
Purchase of stock in Trade	642.00	98.39%	-	-	-	-	-	-	-	-	-	-
<b>Total expenses</b>	<b>645.15</b>	<b>98.88%</b>	<b>8.45</b>	<b>85.79%</b>	0.21	60.88%	0.21	23.93%	1.45	414.29%	-	0.15
<b>Net Profit / (Loss) before Tax</b>	<b>7.34</b>	<b>1.13%</b>	<b>1.40</b>	<b>14.22%</b>	0.14	39.12%	0.67	76.07%	(1.10)	-314.29%	-	(0.15)
<b>Less: Tax expense</b>												
Provision for income tax	1.68	0.25%	0.27	2.71%	-	-	-	-	-	-	-	-
Deferred tax	0.41	0.06%	0.07	0.68%	-	-	-	-	-	-	-	-
MAT Credit entitlement	(0.15)	-0.02%	-	-	-	-	-	-	-	-	-	-
<b>Total Tax Expense</b>	<b>1.94</b>	<b>0.30%</b>	<b>0.33</b>	<b>3.39%</b>	-	-	-	-	-	-	-	-
<b>Net Profit / (Loss) after tax</b>	<b>5.40</b>	<b>0.83%</b>	<b>1.07</b>	<b>10.83%</b>	0.14	39.12%	0.67	76.07%	(1.10)	-314.29%	-	(0.15)

## ***Main Components of our Profit and Loss Account***

### **Income**

Our total income comprises of revenue from operations and other income.

#### *Revenue from Operations*

Revenue from operation for the period ended November 15,2017 is 99.95% of the total income and there was no revenue from operation during the financial year 2017,2016,2015,2014 and 2013 .

#### *Other Income*

Our other income comprises of dividend income and service income. Other income, as a percentage of total income was 100% respectively, for fiscals 2017, 2016, 2015 and 2014 and 0.05% for the period ended November 15,2017.

### **Expenditure**

Our total expenditure primarily consists of Purchases (cost of Materials), Employee Benefit Expenses, Finance costs, Depreciation & Amortisation Expenses and Other Expenses.

#### *Purchases*

Costs of purchases are primarily in relation to purchases of stock in trade .

#### *Employee Benefit Expenses*

Expenses in relation to employees' remuneration and staff welfare expenses etc.

#### *Depreciation and Amortization Expenses*

Depreciation and Amortization Expenses primarily consist of depreciation on the fixed assets of our Company which primarily includes computers .

#### *Other Expenses*

Other expenses primarily include processing fees ,rent expenses and preliminary expenses.

#### *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 period ended November 15<sup>th</sup> ,2017**

### *Income*

Our total income for the period ended November 15<sup>th</sup>, 2017 was ₹ 652.49 lakhs. In the current period, the revenue earned from operations is ₹ 652.14 lakhs or 99.95% of the total income. Other income for said period was recorded at ₹ 0.35 lakhs or 0.05% of total income.

### *Purchases*

Our purchase cost for the period ended November 15<sup>th</sup>, 2017 were ₹ 642 lakhs which as a proportion of our total income was 98.39%.

### *Employee Benefit Expenses*

Our Employee Benefit Expenses for the period ended November 15<sup>th</sup>, 2017 were ₹ 1.10 lakhs. As a proportion of our total income they were 0.17%.

### *Depreciation and Amortization Expenses*

Our Depreciation and Amortization Expenses for the period ended November 15<sup>th</sup>, 2017 was ₹ 0.17 lakhs. As a proportion of total income they were 0.03%.

### *Other Expenses*

Our Other Expenses for the period ended November 15<sup>th</sup>, 2017 ₹ 1.89 lakhs. As a proportion of our total income they were 0.29%.

### *Profit before Tax*

Profit / (Loss) before Tax for the period ended November 15<sup>th</sup>, 2017 were ₹ 7.34 lakhs.

### *Profit after Tax*

Profit / (Loss) after Tax for the period ended November 15<sup>th</sup>, 2017 were ₹ 5.40 lakhs.

## **Fiscal 2017 compared with fiscal 2016**

### *Income*

In fiscal 2017, our total income increased by ₹ 9.50 lakhs from ₹0.35 lakhs in fiscal 2016 to ₹ 9.85 lakhs in fiscal 2017. The increase in the year 2017 was due to increase in the Service income as compared to last year.

Other Income increased by ₹ 9.50 lakhs from ₹ 0.35 lakhs in fiscal 2016 to ₹ 9.85 lakhs in fiscal 2017. The increase in the year 2017 was due to increase in the Service income as compared to last year.

### *Employee Benefit Expenses*

Our staff cost increased by ₹ 0.40 lakhs in fiscal 2017. This increase was mainly due to increase in salaries and wages.

### *Depreciation and Amortization Expenses*

Depreciation expenses increased by ₹ 0.03 lakhs in fiscal 2017. This increase was on account of purchase of Computer in in FY 2016-17.

### *Other Expenses*

Other expenses increased by ₹ 7.80 lakhs from ₹ 0.21 lakhs in fiscal 2016 to ₹ 8.01 lakhs in fiscal 2017. The increase was due to increase in job work charges incurred for service given in fiscal 2017.

### *Profit before Tax*

Our Profit before tax increased by ₹ 1.26 lakhs from ₹ 0.14 lakhs in fiscal 2016 to ₹ 1.40 lakhs in fiscal 2017. The increase was due to increase in other income.

### *Profit after Tax*

After accounting for taxes at applicable rates, our Profit after Tax increased by ₹ 0.93 lakhs from ₹ 0.14 lakhs in fiscal 2016 to ₹ 1.07 lakhs in fiscal 2017.

## **Fiscal 2016 compared with fiscal 2015**

### *Income*

In fiscal 2016, our total income decreased by ₹ 0.53 lakhs from ₹ 0.88 lakhs in fiscal 2015 to ₹ 0.35 lakhs in fiscal 2016. The decrease in the year 2016 was due to decrease in the dividend income as compared to last year.

Other Income decreased by ₹ 0.53 lakhs from ₹ 0.88 lakhs in fiscal 2015 to ₹ 0.35 lakhs in fiscal 2016. The decrease in the year 2016 was due to decrease in the dividend income as compared to last year.

### *Other Expenses*

Other expenses are same in fiscal 2016 and 2015.

### *Profit before Tax*

Our Profit before tax decreased by ₹ 0.53 lakhs from ₹ 0.67 lakhs in fiscal 2015 to ₹ 0.14 lakhs in fiscal 2016. The increase was due to decrease in other income

### *Profit after Tax*

After accounting for taxes at applicable rates, our Profit after Tax decreased by ₹ 0.53 lakhs from ₹ 0.67 lakhs in fiscal 2015 to ₹ 0.14 lakhs in fiscal 2016.

## **Fiscal 2015 compared with fiscal 2014**

### *Income*

In fiscal 2015, our total income increased by ₹ 0.53 lakhs from ₹ 0.35 lakhs in fiscal 2014 to ₹ 0.88 lakhs in fiscal 2015. The increase in the year 2015 was due to increase in the dividend income as compared to last year.

Other Income increased by ₹ 0.53 lakhs from ₹ 0.35 lakhs in fiscal 2014 to ₹ 0.88 lakhs in fiscal 2015. The increase in the year 2015 was due to increase in the dividend income as compared to last year.

### *Other Expenses*

Other expenses decreased by ₹ 1.24 lakhs from ₹ 1.45 lakhs in fiscal 2014 to ₹ 0.21 lakhs in fiscal 2015.

### *Profit before Tax*

Our Profit before tax increased by ₹ 1.77 lakhs from ₹ (1.10) lakhs in fiscal 2014 to ₹ 0.67 lakhs in fiscal 2015.

### *Profit after Tax*

After accounting for taxes at applicable rates, our Profit after Tax increased by ₹ 1.77 lakhs from ₹ (1.10) lakhs in fiscal 2014 to ₹ 0.67 lakhs in fiscal 2015.

## **Fiscal 2014 compared with fiscal 2013**

### *Other Expenses*

Other expenses increased by ₹ 1.30 lakhs from ₹ 0.15 lakhs in fiscal 2013 to ₹ 1.45 lakhs in fiscal 2014.

### *Profit before Tax*

Our Profit before tax increased by ₹ (0.95) lakhs from ₹ (0.15) lakhs in fiscal 2013 to ₹ (1.10) lakhs in fiscal 2014.

### *Profit after Tax*

After accounting for taxes at applicable rates, our Profit after Tax increased by ₹ (0.95) lakhs from ₹ (0.15) lakhs in fiscal 2013 to ₹ (1.10) lakhs in fiscal 2014

### Cash Flows

(₹ in lakhs)

Particulars	Period ended November, 2017	Year ended March 31,			
		2017	2016	2015	2014
Net Cash from Operating Activities	(1617.29)	(769.22)	1817.56	0.65	(82.08)
Net Cash from Investing Activities	(400.00)	(96.34)	(250.00)	-	-
Net Cash used in Financing Activities	2022.19	865.63	(1567.87)	(9.01)	88.66
Net Increase / (Decrease) in Cash and Cash equivalents	4.90	0.07	(0.31)	(8.36)	6.58

#### Cash Flows from Operating Activities

Net cash from operating activities in the period ended November 15<sup>th</sup>, 2017 was negative ₹ 1,617.29 lakhs as compared to the PBT of ₹ 7.34 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, long term provisions and short term provisions.

Net cash from operating activities in fiscal 2017 was negative ₹ 769.22 lakhs as compared to the PBT of ₹ 1.40 lakhs for the same period. This difference is primarily on account of changes in inventories, trade receivables, , other current assets, trade payables, long term provisions, other current liabilities.

Net cash from operating activities in fiscal 2016 was ₹ 1817.56 lakhs as compared to the PBT of ₹ 0.14 lakhs for the same period. This difference is primarily on account of Non current liabilities and other current liabilities.

Net cash from operating activities in fiscal 2015 was ₹ 0.65 lakhs as compared to the PBT of ₹ 0.67 lakhs for the same period. This difference is primarily on account of other current liabilities.

Net cash from operating activities in fiscal 2014 was negative ₹ 82.08 lakhs as compared to the PBT of ₹ (0.15) lakhs for the same period. This difference is primarily on account of increase in short term loans and advances

#### Cash Flows from Investment Activities

In period ended November 15<sup>th</sup> 2017, the net cash invested in Investing Activities was negative ₹ 400 lakhs. This was on account of non current investment.

In fiscal 2017, the net cash invested in Investing Activities was negative ₹ 96.34 lakhs. This was on account of purchase of fixed assets and non current investments.

In fiscal 2016, the net cash invested in Investing Activities was negative ₹ 250 lakhs. This was on account of purchase of Non current investments.

#### Cash Flows from Financing Activities

Net cash from financing activities in period ended November 15<sup>th</sup>, 2017 was ₹ 2,022.19 lakhs. This was on account of issue of share capital, increase in reserve due to increase in share capital, increase in short term loans and short term borrowings.

Net cash from financing activities in fiscal 2017 was ₹ 865.63 lakhs. This was on account of increase in short term loans and advances.

Net cash from financing activities in fiscal 2016 was negative ₹ 1,567.87 lakhs. This was on account of decrease in short term loans and advances.

Net cash from financing activities in fiscal 2015 was negative ₹ 9.01 lakhs. This was on account of increase in long term borrowings; increase in short term borrowings, proceeds from share capital and interest & financial charges.

Net cash from financing activities in fiscal 2014 was ₹ 88.66 lakhs. This was on account of increase in long term borrowings; increase in short term borrowings, proceeds from share capital and interest & financial charges.

## **OTHER MATTERS**

### **1. Unusual or infrequent events or transactions**

Except as described in this Draft Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent. However the company has certain transactions pertaining to earlier business model of the company which the company is slacking back in the last few years and re-aligning its balance sheet and fund allocations.

### **2. 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 139 and 176 respectively of this Draft Red Herring Prospectus respectively, to our knowledge there are no significant economic changes that materially affected or are likely to affect income from continuing Operations.

### **3. Known trends or uncertainties that have had or are expected to have a material adverse impact on 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 11 and 176 respectively of this Draft Prospectus respectively 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.

### **4. Future relationship between Costs and Income**

Other than as described in the chapter titled “*Risk Factors*” beginning on page 11 of this Draft 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.

### **5. The extent to which material increases in revenue or income from operations are due to increased volume, introduction of new products or services or increased prices**

Increases in revenues are by and large linked to increases in introduction of new products and services and volume of business activity carried out by the Company.

### **6. Status of any publicly announced new products or business segments**

Please refer to the chapter titled “*Our Business*” beginning on page 84 of this Draft Prospectus.

### **7. The extent to which the business is seasonal.**

Our business is not seasonal in nature.

### **8. Any significant dependence on a single or few suppliers or customers**

Since the company’s core current business was started in September 2017 itself, the company is significantly dependent on few customers only. The company proposes to over time increase its client base.

## SECTION VII – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated in this section, there are no: A. (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) claims relating to direct and indirect taxes; or (iv) Material Litigation (as defined below); involving our Company, Directors, Promoters, Subsidiary or Group Companies. Our Board, in its meeting held on November 16, 2017 determined that all outstanding litigations pertaining to our Company, it's Directors/Promoters/ Group Companies and Subsidiaries which are in the nature if criminal, statutory/regulatory and taxation related which exceeds 1% of the revenue of our Company 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 November 16, 2017, 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.ashokametcast.in](http://www.ashokametcast.in).*

*Our Company, Directors, Promoter, Subsidiaries and Group Companies are not Wilful Defaulters and there have been no violations of securities laws in the past or pending against them.*

#### CONTINGENT LIABILITIES OF OUR COMPANY

Particulars	Amount (₹ in Lakhs)
Disputed Amount	NIL

#### LITIGATION INVOLVING OUR COMPANY

##### A. LITIGATION AGAINST OUR COMPANY

##### 1. *Litigation involving Criminal matters*

NIL

##### 2. *Litigation involving Actions by Statutory/Regulatory Authorities*

NIL

##### 3. *Litigations involving Tax Liabilities*

##### (i) Direct Tax Liabilities

Sr. No.	Type of Direct Tax	No. of Cases	Amount in dispute/ demanded (₹ in Lakhs)
1.	NIL	NIL	NIL

##### (ii) Indirect Tax Liabilities

Sr. No.	Type of Indirect Tax	No. of Cases	Amount in dispute/ demanded (₹ in Lakhs)
1.	NIL	NIL	NIL



**4. Other pending litigations:**

NIL

**B. LITIGATION FILED BY OUR COMPANY**

**1. Litigation involving Criminal matters**

NIL

**2. Litigation involving Actions against Statutory/Regulatory Authorities**

NIL

**3. Litigations involving Tax Liabilities**

(i) Direct Tax Liabilities

Sr. No.	Type of Direct Tax	No. of Cases	Amount in dispute/ demanded (₹ in Lakhs)
1.	NIL	NIL	NIL

(ii) Indirect Tax Liabilities

Sr. No.	Type of Indirect Tax	No. of Cases	Amount in dispute/ demanded (₹ in Lakhs)
1.	NIL	NIL	NIL

**4. Other pending litigations:**

NIL

**LITIGATIONS INVOLVING OUR DIRECTORS**

**A. LITIGATIONS AGAINST OUR DIRECTORS**

**1. Litigation involving Criminal Matters**

**Mr. Shalin Shah**

Director Shalin Ashok Shah is involved in the following criminal matters filed against him as a Director of Gujarat Natural Resources Limited;

- (a) Criminal Case No.CC/20049/2004 has been filed for contravention of the provisions of Section 217(3) read with Section 217(5) of the Companies Act, 1956 in respect of absence of Internal Audit System and failure to explain main account headings in the Balance Sheet of financial year 2000-2001. This case is currently pending before the Court of Additional Chief Metropolitan Magistrate, Ahmedabad.
- (c) Criminal Case No.36/2013 has been filed in respect of offences punishable under Sections 406, 409, 420, 465, 467, 471 and 120B of the Indian Penal Code for non-delivery of share certificate lodged for transfer to the complainant. Further, stay order from further proceedings in this case has been issued by the Hon'ble High Court of Gujarat at Ahmedabad *vide* its order dated February 19, 2014.

**Mr. Ashok Shah**

Director Ashok Chinubhai Shah is involved in the following criminal matters filed against him as a Managing Director of Gujarat Natural Resources Limited;

- (a) Criminal Case No.CC/200401/1998 has been filed for contravention of the provisions of Section 220(3) of the Companies Act, 1956 in respect of non-filing of Balance Sheet and Profit & Loss

Account for the financial year 1994-95. The Balance Sheet and Profit & Loss Account for the financial Year 1994-95 was filed subsequently. This case is currently pending before Court of Additional Chief Metropolitan Magistrate, Ahmedabad.

- (b) Criminal Case No.CC/200404/1998 has been filed for contravention of the provisions of Section 162 read with Section 159 of the Companies Act, 1956 for non-filing Annual Return for the financial year 1994-95. The Annual Return for the financial year 1994-95 was filed subsequently. This case is currently pending before Court of Additional Chief Metropolitan Magistrate, Ahmedabad.
- (c) Criminal Case No.CC/200447/1998 has been filed for contravention of the provisions of Section 113 (1) & (2) of the Companies Act, 1956 in respect of non-delivery of share certificate lodged for transfer within two months from the date of lodgment. This case is currently pending before Court of Additional Chief Metropolitan Magistrate, Ahmedabad.
- (d) Criminal Case No.CC/200271/2000 has been filed for contravention of the provisions of Section 113 (1) & (2) of the Companies Act, 1956 in respect of non-delivery of share certificate lodged for transfer within two months from the date of lodgment. This case is currently pending before Court of Additional Chief Metropolitan Magistrate, Ahmedabad.
- (e) Criminal Case No.CC/200437/2003 has been filed for contravention of the provisions of Section 292 read with Section 629A of the Companies Act, 1956 in respect of granting loans and making investments in other body corporate without passing resolutions under Section 292 of the Companies Act, 1956. This case is currently pending before Court of Additional Chief Metropolitan Magistrate, Ahmedabad.
- (f) Criminal Case No.CC/200435/2003 has been filed for contravention of the provisions of Sections 269, 309 read with Section 629A of the Companies Act, 1956 in respect of default in filing Form-25C appointing Mr. Ashok Shah as Managing Director. This case is currently pending before Court of Additional Chief Metropolitan Magistrate, Ahmedabad.
- (g) Criminal Case No.CC/20049/2004 has been filed for contravention of the provisions of Section 217(3) read with Section 217(5) of the Companies Act, 1956 in respect of non-maintenance of Internal Audit System in the company and failure to explain main account headings in the Balance Sheet of financial year 2000-2001 . This case is currently pending before Court of Additional Chief Metropolitan Magistrate, Ahmedabad.
- (h) Criminal Case No.CC/20054/2006 has been filed for contravention of the provisions of Section 68 read with Section 628 of the Companies Act, 1956 in respect of making false statement in the prospectus issued with regard to public issue of its equity shares. This case is currently pending before Court of Additional Chief Metropolitan Magistrate, Ahmedabad.
- (i) Criminal Case No.CC/200446/1998 has been filed for contravention of the provisions of Section 73(2A) read with Section 73(2B) of the Companies Act, 1956 in respect of delay in issuing refund orders/ allotment letters to unsuccessful allottees / applicants within 10 weeks from the date of the closure of the public issue by the company. This case is currently pending before Court of Additional Chief Metropolitan Magistrate, Ahmedabad.
- (j) Criminal Case No. 36/2013 has been filed in respect of offences punishable under Sections 406, 409, 420, 465, 467, 471 and 120B of the Indian Penal Code for non-delivery of share certificate to the complainant lodged for transfer. Further, stay order from further proceedings in this case has been issued by the Hon'ble High Court of Gujarat at Ahmedabad *vide* its order dated February 19, 2014.

**Ms. Chitra Thaker**

NIL

**Ms. Payal Pandya**

NIL

2. **Litigations involving actions by Statutory/Regulatory Authorities**

NIL

3. **Litigations involving Tax Liabilities:**

(i) Direct Tax Liabilities

Sr. No.	Type of Direct Tax	No. of Cases	Amount in dispute/ demanded (₹ in Lakhs)
1.	NIL	NIL	NIL

(ii) Indirect Tax Liabilities

Sr. No.	Type of Indirect Tax	No. of Cases	Amount in dispute/ demanded (₹ in Lakhs)
1.	NIL	NIL	NIL

4. **Other pending litigations:**

NIL

**B. LITIGATIONS FILED BY OUR DIRECTORS**

1. **Litigation involving Criminal matters**

(i) Director Shalin Ashok Shah and Ashok Chinubhai Shah has filed Criminal Misc. Application No. 474/2013 before the Hon'ble High Court of Gujarat for quashing Criminal Case No. 36/2013. The Hon'ble High Court of Gujarat at Ahmedabad has *vide* order dated February 19, 2014 stayed further proceedings of Criminal Case No. 36/2013. This case is currently pending before Hon'ble High Court of Gujarat at Ahmedabad.

2. **Litigations involving actions against statutory/Regulatory Authorities:**

NIL

3. **Litigations involving Tax Liabilities:**

(i) Direct Tax Liabilities

Sr. No.	Type of Direct Tax	No. of Cases	Amount in dispute/ demanded (₹ in Lakhs)
1.	NIL	NIL	NIL

(ii) Indirect Tax Liabilities

Sr. No.	Type of Indirect Tax	No. of Cases	Amount in dispute/ demanded (₹ in Lakhs)
1.	NIL	NIL	NIL

4. **Other pending litigations:**

NIL

**LITIGATIONS INVOLVING OUR GROUP COMPANIES**

**A. LITIGATIONS AGAINST OUR GROUP COMPANIES**

**GUJARAT NATURAL RESOURCES LIMITED**

1. **Litigation involving Criminal matters**

- a. The following cases are filed against Gujarat Natural Resources Limited, our group Company:
- (a) Criminal Case No.CC/200401/1998 has been filed for contravention of the provisions of Section 220 (3) of the Companies Act, 1956 in respect of non-filing of Balance Sheet and Profit & Loss Accounts for the financial year 1994-95. The Balance Sheet and Profit & Loss Account for the financial year 1994-95 was filed subsequently. This case is currently pending before Court of Additional Chief Metropolitan Magistrate, Ahmedabad.
  - (b) Criminal Case No.CC/200404/1998 has been filed for contravention of the provisions of Section 162 read with Section 159 of the Companies Act, 1956 for non-filing Annual Return for the financial year 1994-95. The Annual Return for the financial year 1994-95 was filed subsequently. This case is currently pending before Court of Additional Chief Metropolitan Magistrate, Ahmedabad.
  - (c) Criminal Case No.CC/200447/1998 has been filed for contravention of the provisions of Section 113 (1) & (2) of the Companies Act, 1956 in respect of non-delivery of share certificate lodged for transfer within two months from the date of lodgment. This case is currently pending before Court of Additional Chief Metropolitan Magistrate, Ahmedabad.
  - (d) Criminal Case No.CC/200271/2000 has been filed for contravention of the provisions of Section 113 (1) & (2) of the Companies Act, 1956 in respect of non-delivery of share certificate lodged for transfer within two months from the date of lodgment. This case is currently pending before Court of Additional Chief Metropolitan Magistrate, Ahmedabad.
  - (e) Criminal Case No.CC/200437/2003 has been filed for contravention of the provisions of Section 292 read with Section 629A of the Companies Act, 1956 in respect of granting loans and making investments in other body corporate without passing resolutions under Section 292 of the Companies Act, 1956. This case is currently pending before Court of Additional Chief Metropolitan Magistrate, Ahmedabad.
  - (f) Criminal Case No.CC/200435/2003 has been filed for contravention of the provisions of Sections 269, 309 read with Section 629A of the Companies Act, 1956 in respect of default in filing Form-25C appointing Mr. Ashok Shah as Managing Director. This case is currently pending before Court of Additional Chief Metropolitan Magistrate, Ahmedabad.
  - (g) Criminal Case No.CC/20049/2004 has been filed for contravention of the provisions of Section 217(3) read with Section 217(5) of the Companies Act, 1956 in respect of non-maintenance of Internal Audit System in the company and failure to explain main account headings in the Balance Sheet of financial year 2000-2001. This case is currently pending before Court of Additional Chief Metropolitan Magistrate, Ahmedabad.
  - (h) Criminal Case No.CC/20054/2006 has been filed for contravention of the provisions of Section 68 read with Section 628 of the Companies Act, 1956 in respect of making false statement in the prospectus issued with regard to public issue of its equity shares. This case is currently pending before Court of Additional Chief Metropolitan Magistrate, Ahmedabad.
  - (i) Criminal Case No.CC/200446/1998 has been filed for contravention of the provisions of Section 73(2A) read with Section 73(2B) of the Companies Act, 1956 in respect of delay in issuing refund orders/ allotment letters to unsuccessful allottees / applicants within 10 weeks from the date of the closure of the public issue by the company. This case is currently pending before Court of Additional Chief Metropolitan Magistrate, Ahmedabad.
  - (j) Criminal Case No.36/2013 has been filed in respect of offences punishable under Sections 406, 409, 420, 465, 467, 471 and 120B of the Indian Penal Code for non-delivery of share certificate to the complainant lodged for transfer. Further, stay order from further proceedings in this case has been issued by the Hon'ble High Court of Gujarat at Ahmedabad *vide* its order dated February 19, 2014.

**2. Litigations involving actions by statutory/Regulatory Authorities:**

NIL

### 3. *Litigations involving Tax Liabilities:*

#### (i) Direct Tax Liabilities

Sr. No.	Type of Direct Tax	No. of Cases	Amount in dispute/ demanded (₹ in Lakhs)
1.	Income-tax Department	1	10.43/-
	<b>TOTAL</b>	<b>1</b>	<b>10.43/-</b>

Income-tax Department has imposed penalty of ₹ 10,43,356/- under Section 271(1)(c) of the Income-tax Act, 1961 for the Assessment Year 2012-13.

#### (ii) Indirect Tax Liabilities

Sr. No.	Type of Indirect Tax	No. of Cases	Amount in dispute/ demanded (₹ in Lakhs)
1.	NIL	NIL	NIL

### 4. *Other pending litigations:*

The below mentioned matters are currently pending against Gujarat Natural Resources Limited at National Company Law Tribunal, Ahmedabad Bench:-

- (i) TP No. 5/111A/NCLT/Ahmedabad/2016 for breach of the provisions of Section 111A of the Companies Act, 1956, for transfer of shares and delivery of duly transferred shares wherein the Company had rejected transfer of shares of the petitioner due to signature mismatch.
- (ii) TP No. 6/111A/NCLT/Ahmedabad/2016 for breach of the provisions of Section 111A of the Companies Act, 1956, for transfer of shares and delivery of duly transferred shares wherein the Company had rejected transfer of shares of the petitioner due to signature mismatch.
- (iii) TP No. 7/111A/NCLT/Ahmedabad/2016 for breach of the provisions of Section 111A of the Companies Act, 1956, for transfer of shares and delivery of duly transferred shares wherein the Company had rejected transfer of shares of the petitioner due to signature mismatch.

### **LESHA INDUSTRIES LIMITED**

#### 1. **Litigation involving Criminal matters**

NIL

#### 2. *Litigations involving action by Statutory/Regulatory Authorities*

NIL

#### 3. *Litigation involving Tax Liabilities*

##### (i) Direct Tax Liabilities

Sr. No.	Type of Direct Tax	No. of Cases	Amount in dispute/ demanded (₹ in Lakhs)
1.	Income-tax Department	1	1.50 /-
	<b>Total</b>	<b>1</b>	<b>1.50/-</b>

Income-tax Department has imposed penalty of ₹ 1,50,156/- under Section 271(1)(c) of the Income-tax Act, 1961 for the Assessment year 2014-15.

(ii) Indirect Tax Liabilities

Sr. No.	Type of Indirect Tax	No. of Cases	Amount in dispute/ demanded (₹ in Lakhs)
1.	NIL	NIL	NIL

4. *Other pending litigations:*

NIL

**LESHA AGRO FOODS PRIVATE LIMITED**

1. *Litigation involving Criminal matters*

NIL

2. *Litigation involving action by Statutory/Regulatory Authorities*

NIL

3. *Litigation involving Tax Liabilities*

(i) Direct Tax Liabilities

Sr. No.	Type of Direct Tax	No. of Cases	Amount in dispute/ demanded (₹ in Lakhs)
1.	NIL	NIL	NIL

(ii) Indirect Tax Liabilities

Sr. No.	Type of Indirect Tax	No. of Cases	Amount in dispute/ demanded (₹ in Lakhs)
1.	NIL	NIL	NIL

4. *Other pending litigations:*

NIL

**ASHNISHA INDUSTRIES LIMITED**

1. *Litigation involving Criminal matters*

NIL

2. *Litigation involving action by Statutory/Regulatory Authorities*

NIL

3. *Litigation involving Tax Liabilities*

(i) Direct Tax Liabilities

Sr. No.	Type of Direct Tax	No. of Cases	Amount in dispute/ demanded (₹ in Lakhs)
1.	NIL	NIL	NIL

(ii) Indirect Tax Liabilities

Sr. No.	Type of Indirect Tax	No. of Cases	Amount in dispute/ demanded (₹ in Lakhs)
1.	NIL	NIL	NIL

4. *Other pending litigations:*

NIL

**B. LITIGATIONS FILED BY OUR GROUP COMPANIES**

**GUJARAT NATURAL RESOURCES LIMITED**

1. *Litigation involving Criminal matters*

Company and its Directors have filed Criminal Miscellaneous Application No.474 of 2013 before the Hon'ble High Court of Gujarat for quashing Criminal case no. 36/2013. The Hon'ble High Court of Gujarat has *vide* order dated February 19, 2014 stayed further proceedings of Criminal case no. 36 of 2013. This case is currently pending before the Hon'ble High Court of Gujarat at Ahmedabad.

2. *Litigations involving actions against statutory/Regulatory Authorities*

NIL

3. *Litigations involving Tax Liabilities*

(i) Direct Tax Liabilities

The Company has filed appeal before Commissioner of Income Tax (Appeals) against imposition of penalty of ₹ 10,43,356/- by the Income Tax Department. The appeal is pending before Commissioner of Income Tax (Appeals).

(ii) Indirect Tax Liabilities

Sr. No.	Type of Indirect Tax	No. of Cases	Amount in dispute/ demanded (₹ in Lakhs)
1.	NIL	NIL	NIL

4. *Other pending litigations*

Nil

**LESHA INDUSTRIES LIMITED**

1. *Litigation involving Criminal matters*

NIL

2. *Litigations involving action against Statutory/Regulatory Authorities*

NIL

3. *Litigation involving Tax Liabilities*

(i) Direct Tax Liabilities

The Company has filed appeal before Commissioner of Income Tax (Appeals) against imposition of penalty of ₹ 1,50,156/- by the Income Tax Department. The appeal is pending before Commissioner of Income Tax (Appeals).

(ii) Indirect Tax Liabilities

Sr. No.	Type of Indirect Tax	No. of Cases	Amount in dispute/ demanded (₹ in Lakhs)
1.	NIL	NIL	NIL

4. *Other pending litigations*

NIL

**LESHA AGRO FOODS PRIVATE LIMITED**

1. *Litigation involving Criminal matters*

NIL

2. *Litigation involving action against Statutory/Regulatory Authorities*

NIL

3. *Litigation involving Tax Liabilities*

(i) Direct Tax Liabilities

Sr. No.	Type of Direct Tax	No. of Cases	Amount in dispute/ demanded (₹ in Lakhs)
1.	NIL	NIL	NIL

(ii) Indirect Tax Liabilities

Sr. No.	Type of Indirect Tax	No. of Cases	Amount in dispute/ demanded (₹ in Lakhs)
1.	NIL	NIL	NIL

4. *Other pending litigations*

NIL

**ASHNISHA INDUSTRIES LIMITED**

1. *Litigation involving Criminal matters*

NIL

2. *Litigation involving action against Statutory/Regulatory Authorities*

NIL

3. *Litigation involving Tax Liabilities*

(i) Direct Tax Liabilities

Sr. No.	Type of Direct Tax	No. of Cases	Amount in dispute/ demanded (₹ in Lakhs)
1.	NIL	NIL	NIL



(ii) Indirect Tax Liabilities

Sr. No.	Type of Indirect Tax	No. of Cases	Amount in dispute/ demanded (₹ in Lakhs)
1.	NIL	NIL	NIL

4. *Other pending litigations*

NIL

C. **OTHERS**

**GUJARAT NATURAL RESOURCES LIMITED**

The Trading of Equity Shares of Gujarat Natural Resources Limited (Erstwhile Lesha Steels Limited) was suspended from September 10, 2001 by the Bombay Stock Exchange due to non-compliances with the Listing Agreement. Subsequently, the suspension was revoked and trading of equity shares of the Company commenced on February 13, 2007.

**LITIGATION INVOLVING SHREE GHANTAKARNA ROLLING MILLS PRIVATE LIMITED  
("OUR SUBSIDIARY COMPANY")**

A. **LITIGATIONS AGAINST OUR SUBSIDIARY COMPANY**

1. *Litigation involving Criminal matters*

NIL

2. *Litigation involving actions by Statutory/Regulatory Authorities*

- (i) The Gujarat Electricity Board had filed Special Civil Suit no. 143 of 1991 before the Court of Civil Judge, Mehsana for recovery of ` 5,51,660/- towards electricity consumption charges at factory premises. The Hon'ble decreed the Suit. Further Company has filed First Appeal No. 4666 of 1996 before the Hon'ble High Court of Gujarat at Ahmedabad. Thereafter, Gujarat Electricity Board has filed execution petition no. (53 of 2008 Old) 47 of 2013 before Civil Judge, Kadi for recovery of decreetal dues in respect of non-payment of electric charges incurred by the Company at its factory premises. Currently, this Execution Petition is pending before the Civil Judge, Kadi.
- (ii) The Gujarat Electricity Board had filed Special Civil Suit no. 49 of 1992 before the Court of Civil Judge, Mehsana for recovery of ` 12,34,060/- towards electricity consumption charges at factory premises. The Hon'ble Court decreed the Suit exparte. Further, Company had filed Misc. Civil Application No. 40 of 2012 for setting aside exparte decree. The Hon'ble Court had vide order dated 19/10/2012 dismissed the Misc. Civil Application. Thereafter, Company has filed SCA no. 2772 of 2015 before Hon'ble High Court. Further, Gujarat Electricity Board has filed Execution Petition no. (55 of 2004 Old) 36 of 2013 for recovery of decreetal dues in respect of non-payment of electric charges incurred by the Company at its factory premises. Currently, this Execution Petition is pending before the Civil Judge, Kadi.
- (iii) The Gujarat Electricity Board had filed Special Civil Suit no. 160 of 2002 before the Court of Civil Judge, Mehsana for recovery of ` 27,06,513/- towards electricity consumption charges at factory premises. The Hon'ble Court decreed the Suit exparte. Further, Company had filed Misc. Civil Application No. 31 of 2012 for setting aside exparte decree. The Hon'ble Court had vide order dated 21/09/2012 dismissed the Misc. Civil Application. Thereafter, Company has filed SCA no. 2771 of 2015 before Hon'ble High Court. Further, Gujarat Electricity Board has filed Execution Petition no. (51 of 2011 Old) 99 of 2013 for recovery of decreetal dues in respect of non-payment of electric charges incurred by the Company at its factory premises. Currently, this Execution Petition is pending before the Civil Judge, Kadi.

### 3. *Litigation involving Tax Liabilities*

#### (i) Direct Tax Liabilities

Sr. No.	Type of Direct Tax	No. of Cases	Amount in dispute/ demanded (₹ in Lakhs)
1.	NIL	NIL	NIL

#### (ii) Indirect Tax Liabilities

Sr. No.	Type of Indirect Tax	No. of Cases	Amount in dispute/ demanded (₹ in Lakhs)
1.	NIL	NIL	NIL

### 4. *Other pending litigations*

NIL

## B. LITIGATIONS FILED BY OUR SUBSIDIARY COMPANY

### 1. *Litigation involving Criminal Matters*

NIL

### 2. *Litigations involving actions against Statutory/Regulatory Authorities*

- (i) Special Civil Application No. 2771/2015 has been filed by the company before the Hon'ble High Court of Gujarat at Ahmedabad challenging the order of the Additional Civil Judge, Mehsana passed in Misc. Civil Application no. 31 of 2012 filed for setting aside ex-parte decree passed in Special Civil Suit no. 160 of 2002 filed by Gujarat Electricity Board for recovery of electric charges incurred at its factory premises. The said Special Civil Application is pending before the Hon'ble High Court of Gujarat.
- (ii) Special Civil Application No. 2772/2015 has been filed by the company before the Hon'ble High Court of Gujarat at Ahmedabad challenging the order of the Additional Civil Judge, Mehsana passed in Misc. Civil Application no. 40 of 2012 for setting aside ex-parte decree passed in Special Civil Suit no. 49 of 1992 filed by Gujarat Electricity Board for recovery of electric charges incurred at its factory premises. The said Special Civil Application is pending before the Hon'ble High Court of Gujarat.
- (iii) Special Civil Application No. 11437/2015 has been filed by the Company against Uttar Gujarat Vij Company Limited Seeking direction to confer benefits of the Amnesty Scheme declared by State Government *vide* notification dated March 29, 2012 for settlement of outstanding claims against consumers. The said Special Civil Application is pending before the Hon'ble High Court of Gujarat.
- (iv) First Appeal No. 4666/1996 has been filed by the company against the judgment and decree passed by Civil Judge, Mehsana in Special Civil Suit No. 143 of 1991 which was filed by the Gujarat Electricity Board for recovery of electric charges incurred at Company's factory premises. The said First Appeal is pending before the Hon'ble High Court of Gujarat.

### 3. *Litigations involving Tax Liabilities:*

#### (i) Direct Tax Liabilities

Sr. No.	Type of Direct Tax	No. of Cases	Amount in dispute/ demanded (₹ in Lakhs)
1.	NIL	NIL	NIL

(ii) Indirect Tax Liabilities

Sr. No.	Type of Indirect Tax	No. of Cases	Amount in dispute/ demanded (₹ in Lakhs)
1.	NIL	NIL	NIL

4. *Other pending litigations*

NIL

**LITIGATIONS INVOLVING VIVANZA BIOSCIENCES LIMITED (“ASSOCIATE COMPANY”)**

**A. LITIGATIONS AGAINST ASSOCIATE COMPANY**

1. *Litigation involving Criminal matters*

NIL

2. *Litigation involving action by Statutory/Regulatory Authorities*

NIL

3. *Litigation involving Tax Liabilities*

(i) Direct Tax Liabilities

Sr. No.	Type of Direct Tax	No. of Cases	Amount in dispute/ demanded (₹ in Lakhs)
1.	NIL	NIL	NIL

(ii) Indirect Tax Liabilities

Sr. No.	Type of Indirect Tax	No. of Cases	Amount in dispute/ demanded (₹ in Lakhs)
1.	NIL	NIL	NIL

4. *Other pending litigations*

NIL

**B. LITIGATIONS FILED BY ASSOCIATE COMPANY**

1. *Litigation involving Criminal matters*

NIL

2. *Litigation involving action against Statutory/Regulatory Authorities*

NIL

3. *Litigation involving Tax Liabilities*

(i) Direct Tax Liabilities

Sr. No.	Type of Direct Tax	No. of Cases	Amount in dispute/ demanded (₹ in Lakhs)
1.	NIL	NIL	NIL

(ii) Indirect Tax Liabilities

Sr. No.	Type of Indirect Tax	No. of Cases	Amount in dispute/ demanded (₹ in Lakhs)
1.	NIL	NIL	NIL

**4. Other pending litigations**

NIL

**Fine imposed and compounding of offences of Group Companies**

**GUJARAT NATURAL RESOURCES LIMITED**

- (i) Criminal Case No.444/2003 was filed by the Registrar of Companies, Gujarat in respect of non-maintenance of Internal Audit System by the company and a fine of ` 5,000 was imposed. This Criminal complaint was compounded and stands withdrawn as on the date of this Report.
- (ii) Criminal Case No.438/2003 was filed by the registrar of Companies, Gujarat in respect of non-maintenance of register of contracts showing details of contract and arrangement and fine of ` 10,000 was imposed. This Criminal complaint was compounded and stands withdrawn as on the date of this Report.

**Pending proceedings initiated against our Company for economic offence**

There are no pending proceedings initiated against our Company for economic offence.

**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, 2013 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 Draft Prospectus for the Company and its Subsidiary for default or outstanding defaults.

**Non-Payment of Statutory Dues**

There have been no defaults in the past or any outstanding defaults in the payment of statutory dues payable by the Company as on the date of the last audited financial statements of the Company.

**Amounts owed to small scale undertakings and other creditors**

As of November 15, 2017, our Company owes the following amounts to small scale undertakings, other creditors and material creditors:

Particulars	Number of creditors	Amount Involved (in ₹ Lakhs)
Micro, Small and Medium Enterprises	-	-
Material Creditors	-	-
Other Creditors	-	-
<b>Total</b>	<b>NIL</b>	<b>NIL</b>

Details in relation to the amount owed by our Company to material creditors, small scale undertakings and other creditors as on November 15, 2017 are also available on the website of our Company at the following link: [www.ashokametcast.in](http://www.ashokametcast.in).

*It is clarified that information provided on the website of our Company is not a part of this Draft 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 Draft 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 Issue or continue our business activities. In view of the approvals listed below, we can undertake the Issue and our current/ proposed business activities and no further major approvals from any governmental/regulatory authority or any other entity are required to be undertaken, in respect of the Issue or to continue our business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of the Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf.*

*The main objects clause of the Memorandum of Association of the Company and the objects incidental, enable our Company to carry out its activities.*

### I. Approvals for the Issue

1. The Board of Directors have, pursuant to Sections 28 and 62(1)(c) and other applicable provisions of the Companies Act 2013, by a resolution passed at its meeting held on November 11, 2017 authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of our Company have, pursuant to Sections 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 November 15, 2017
3. In-principle approval dated [●] from the BSE for listing of the Equity Shares issued by our Company pursuant to the Issue.
4. Our Company's International Securities Identification Number (“ISIN”) is INE760Y01011..

### II. Approvals pertaining to Incorporation, name and constitution of our Company

1. Certificate of Incorporation dated July 29, 2009 issued by the Registrar of Companies Gujarat, Dadra & Nagar Haveli in the name of “*Tanya Estate Private Limited*”.
2. Fresh certificate of incorporation dated September 13, 2017 was issued by the Registrar of Companies pursuant to the change of name from “*Tanya Estate Private Limited*” to “*Ashoka Metcast Private Limited*”.
3. Fresh certificate of incorporation dated November 09, 2017 was issued by the Registrar of Companies consequent upon the conversion of the Company from private limited company to public limited company i.e. “*Ashoka Metcast Private Limited*” to “*Ashoka Metcast Limited*”.
4. The Corporate Identity Number (CIN) of the Company is U70101GJ2009PLC057642.

### TAX RELATED APPROVALS.

Sr. No.	Description	Authority	Registration Number	Date of Expiry
1.	Permanent Account Number (PAN)	Income-tax Department, Government of India	AADCT7220M	Valid until cancelled
2.	Tax Deduction Account Number (TAN)	Income-tax Department, Government of India	AHMA17434E	Valid until cancelled
3.	Certificate of Registration issued under GST	Commercial Tax Department, Government of India	24AADCT7220M1Z9	Valid until cancelled

## II. PENDING APPROVALS

Sr. No.	Description	Authority before whom Application has been made	Status
1.	Certificate of Registration under Gujarat Shops & Establishments Act, 1948	Ahmedabad Municipal Corporation	Submission of Application under process
2.	Certificate of Registration under the Gujarat State Tax on Professions, Traders, Callings and Employments Act, 1976	Ahmedabad Municipal Corporation	Submission of Application under process

### Approvals pertaining to Incorporation, name and constitution of our Subsidiary Company Shree Ghantakarna Rolling Mills Private Limited

- The Company was incorporated as Shivani Rolling Mills Private Limited on June 26, 1984. The Registrar of Companies, Gujarat had issued certificate of incorporation date June 26, 1984 in the name of Shivani Rolling Mills Private Limited.
- Fresh certificate of incorporation dated January 3, 1997 was issued by Registrar of Companies, Gujarat pursuant to change of name from Shivani Rolling Mills Private Limited to Shree Ghantakarna Rolling Mills Private Limited.
- The Corporate Identity Number (CIN) of the Company is U27100GJ1984PTC007041.

## I. TAX RELATED APPROVALS

Sr. No.	Description	Authority	Registration Number	Date of Expiry
1.	Permanent Account Number (PAN)	Income-tax Department, Government of India	AACCS6850M	Valid until cancelled
2.	Tax Deduction Account Number (TAN)	Income-tax Department, Government of India	AHMS27116F	Valid until cancelled
3.	Certificate of Registration issued under GST	Commercial Tax Department, Government of India	24AACCS6850M2Z0	Valid until cancelled
4.	Central Excise Registration Certificate (Manufacture)	Deputy Commissioner of Central Excise, Central Board of Excise and Customs, Ministry of finance, Department of Revenue	2301103066/Kadi III/58/CH/72/94	Till the business is discontinued

## II. BUSINESS RELATED APPROVALS

Sr. No.	Description	Authority	Registration Number	Date of Expiry
1.	Certificate of Registration under Small Scale Industries	District Industries Centre	03120/SSI	Valid until cancelled

**PENDING APPROVALS**

<b>Sr. No.</b>	<b>Description</b>	<b>Authority before whom Application has been made</b>	<b>Status</b>
1.	Certificate of Registration under Gujarat Shops & Establishments Act, 1948	Ahmedabad Municipal Corporation	Submission of Application under process
2.	Certificate of Registration under the Gujarat State Tax on Professions, Traders, Callings and Employments Act, 1976	Ahmedabad Municipal Corporation	Submission of Application under process
3	Factory License *	Factory Inspector, Gujarat State	Discontinued. Company required to undertake process of renewal.

\*Management believes company will renew the license before commencement of production which is scheduled in April,2018.



## SECTION VIII – OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Issue

Our Board of Directors have *vide* resolution dated November 11, 2017 authorized the Issue, 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 Issue, by passing a Special Resolution at the Extra-Ordinary General Meeting held on November 15, 2017, in accordance with the provisions of Section 62(1)(C) of the Companies Act, 2013.

The Company has obtained approval from BSE vide letter dated [●] to use the name of BSE in this Offer Document for listing of equity shares on the SME platform of the BSE. BSE is the designated stock exchange.

### Prohibition by SEBI, the RBI or Governmental Authorities

We confirm that there is no prohibition on our Company, our Directors, our Promoters, entities forming part of our Promoter Group, our Subsidiary and our Group Companies 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, nor our Subsidiary or our Group Companies have been identified as wilful defaulters by the RBI or other authorities.

The listing of any securities of our Company or Group Companies 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 are associated with the Securities Market in any manner and no action has been initiated against these entities by SEBI at any time except as stated under the chapters titled “*Risk Factors*” and “*Outstanding Litigations and Material Developments*” beginning on page nos. 11 and 184 respectively, of this Draft Prospectus.

### Eligibility for the Issue

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulation; and this Issue is an “Initial Public Offer” in terms of the SEBI (ICDR) Regulations.

This Issue 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 SME Platform of BSE).

We confirm that:

- a) In accordance with Regulation 106 (P) of the SEBI (ICDR) Regulations, this issue has been hundred percent underwritten and that the Lead Manager to the Issue has underwritten more than 15% of the total Issue Size. For further details pertaining to the said underwriting please see “*General Information-Underwriting*” on page no. 42 of this Draft Prospectus.
- b) In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded / 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.

- c) 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 Draft Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Draft Prospectus with Stock Exchange and the Registrar of Companies.
- d) 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 Issue. For further details of the arrangement of Market Making, please see “General Information- Details of the Market Making Arrangements for this Issue” on page no. 42 of this Draft Prospectus.

We further confirm that we shall be complying with all other requirements as laid down for such issue under Chapter XB of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

- e) Our Company has Net Tangible assets of at least ₹ 3 crores as per the latest audited financial results.
- f) The Net worth (excluding revaluation reserves) of our Company is at least ₹ 3 crores as per the latest audited financial results.
- g) Our Company has track record of distributable profits in terms of sec. 123 of Companies Act, 2013 for at least two years out of immediately preceding three financial years and each financial year has been a period of at least 12 months.
- h) The distributable Profit, Net tangible Assets and Net worth of our Company as per the restated financial statements for the period ended as at November 15, 2017, March 31, 2017, 2016 and 2015 is as set forth below:

(₹ in lakhs)

Particulars	For the period ended on November 15, 2017	Fiscal 2017	Fiscal 2016	Fiscal 2015
Distributable Profit <sup>(1)</sup>	5.40	1.07	0.14	0.67
Net tangible Assets <sup>(2)</sup>	946.70	1.30	0.23	0.10
Net Worth <sup>(3)</sup>	932.41	1.30	0.16	0.03

<sup>(1)</sup> Distributable profits have been computed in terms section 123 of the Companies Act, 2013.

<sup>(2)</sup> Net Tangible Assets means the sum of all net assets of our Company excluding intangible assets as defined in Accounting Standard 26 (AS 26) issued by the Institute of Chartered Accountants of India.

<sup>(3)</sup> Net Worth has been computed as the aggregate of equity shares capital and reserves (excluding revaluation reserves) and after deducting miscellaneous expenditure not written off, if any.

- i) As on the date of this Draft Prospectus, our Company has a paid up capital of ₹ 471.00 lakhs (₹ 4.71 crores), which is in excess of ₹ 1.71 crore, and the Post Issue Capital will be of ₹ 1,071.00 lakhs (₹ 10.71 crores).
- j) Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
- k) There is no winding up petition against the company, which has been admitted by the court or a liquidator has not been appointed.
- l) There has been no change in the Promoter(s) of the Company in the preceding one year from date of filing application to BSE for listing on SME segment.
- m) Our company shall mandatorily facilitate trading in demat securities and enter into an agreement with both the depositories.
- n) We have a website: [www.ashokametcast.in](http://www.ashokametcast.in)

- o) We are not a Stock / Commodity Broking Company since incorporation.
- p) We are not a Finance Company since incorporation.

#### **Disclosure**

Our Company, our Directors, our Promoters, our Promoter Group, our Subsidiary and our Group Companies 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 ISSUE 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 ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY 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 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 [•] WHICH READS AS FOLLOWS:**

- 1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE PROSPECTUS PERTAINING TO THE SAID ISSUE;**
- 2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:**

**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:**

- A. THE DRAFT PROSPECTUS FILED WITH THE BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**
- B. ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
- C. THE DISCLOSURES MADE IN THE DRAFT PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION**

AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 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 DRAFT 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 DRAFT PROSPECTUS.
6. WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT PROSPECTUS.
7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT 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 ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC OFFER. – NOT APPLICABLE
8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE "MAIN OBJECTS" LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION. -COMPLIED WITH.
9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 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 DRAFT PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION. – NOTED FOR COMPLIANCE.

10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT 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 DRAFT PROSPECTUS:
  - A. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER, AND
  - B. AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.
13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE OFFER– 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 ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE, ETC.
15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT 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 M/S. GMCA & CO., CHARTERED ACCOUNTANTS (FIRM REGISTRATION NUMBER: 109850W) PURSUANT TO THEIR REPORT DATED DECEMBER 12, 2017)

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 ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MERCHANT BANKER ANY IRREGULARITIES OR LAPSES IN THE OFFER DOCUMENT.

**Note:**

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Draft Prospectus with the RoC in terms of section 26 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 ISSUER HAVE BEEN MADE IN DRAFT PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.**
- 3. WE CONFIRM THAT THE ABRIDGED DRAFT PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009. – NOTED FOR COMPLIANCE.**
- 4. WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER.**
- 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 DRAFT 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 and the Lead Manager**

Our Company, our Directors and the Lead Manager accept no responsibility for statements made otherwise than those contained in this Draft Prospectus or, in case of our 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 Issue Management entered into among the Lead Manager and our Company dated November 24, 2017, the Underwriting Agreement dated November 25, 2017 entered into among the Underwriter and our Company and the Market Making Agreement dated November 25, 2017, 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 Issue will be required to confirm and will be deemed to have represented to our Company, 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 offer, 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 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 Issue 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 Draft 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 issue or invitation in such jurisdiction. Any person into whose possession the Draft Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to 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 Draft Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the Draft Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been 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 SME Platform of BSE**

As required, a copy of the Draft Prospectus shall be submitted to the SME Platform of BSE. The Disclaimer Clause as intimated by the SME Platform of BSE to us, post scrutiny of the Draft Prospectus, shall be included in the Prospectus prior to the filing with RoC.

**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 shall not be filed with SEBI, nor will SEBI issue 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 the Unit No. 002,

Ground Floor, SAKAR I, Near Gandhigram Railway Station, Opposite Nehru Bridge, Ashram Road, Ahmedabad- 380009, Gujarat.

A copy of the Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 will be delivered to the RoC situated at RoC Bhawan, Opposite Rupal Park, Near Ankur Bus Stand, Naranpur, Ahmedabad 380 013, Gujarat, India.

### Listing

In terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, there is no requirement of obtaining In-Principle approval of the SME Platform of BSE. However, application shall be made to SME Platform of BSE for obtaining permission for listing of the Equity Shares being offered and sold in the issue on its SME Platform after the allotment in the Issue. BSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform is not granted by BSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of the prospectus. The allotment letters shall be issued or application money shall be refunded / unblocked within fifteen days from the closure of the Issue 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 shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of BSE mentioned above are taken within 6 Working Days of the Issue Closing Date.

The Company has obtained approval from BSE *vide* letter dated [●] to use the name of BSE in this Offer document for listing of equity shares on SME Platform of BSE.

### 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	Shradha Infraprojects (Nagpur) Ltd.	18.93	70	11/12/2017	69.80	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2	Shreeji Translogistics Ltd.	12.40	130	13/10/2017	156.00	2.69%	2.72%	N.A.	N.A.	N.A.	N.A.
3	AKM Lace and Embrotex Ltd.	4.76	25	29/09/2017	25.50	-7.80%	5.99%	N.A.	N.A.	N.A.	N.A.
4	Geekay Wires Ltd.	11.00	33	24/08/2017	33.35	0.76%	1.09%	10.61%	4.92%	N.A.	N.A.
5	CKP Products Ltd.	6.24	50	09/05/2017	50.00	2.00%	3.55%	0.90%	7.95%	0.50%	12.19%
6	Octaware Technologies Ltd.	8.60	90	03/04/2017	91.00	0.11%	-0.05%	0.83%	3.38%	8.89%	4.59%
7	Prime Customer Services Ltd.	7.28	60	31/03/2017	60.10	8.00%	1.01%	56.25%	4.18%	121.67%	5.20%
8	Maximus International Ltd.	3.77	25	30/03/2017	23.00	1.20%	0.91%	0.20%	4.00%	1.00%	6.59%



9	Manas Properties Ltd.	39.96	360	30/03/2017	360.55	0.83%	0.91%	1.11%	4.00%	1.39%	6.59%
10	IFL Enterprises Ltd.	3.25	20	21/03/2017	19.80	25.05%	0.21%	50.00%	6.19%	50.00%	9.45%

### Summary statement of price information of past issues

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	6 <sup>(1)</sup>	61.93	-	-	1	-	-	4	-	-	-	-	-	2
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 Shradha Infraprojects (Nagpur) Limited was December 11, 2017, 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 AKM Lace and Embrotex Limited, Shreeji Translogistics Limited was August 24, 2017, September 29, 2017 and October 13, 2017, respectively, information related to closing price and benchmark index as on 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 Geekay Wires Limited was August 24, 2017, information related to closing price and benchmark index as on the 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 Issue 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 Directors, the Chief Financial Officer, Company Secretary & Compliance Officer, Banker(s) to the Company, the Statutory Auditor; and (b) the Lead Manager, the Peer Review Auditor, Registrar to the Issue, the Legal Advisors to the Issue, Banker to the Issue\*, Market Maker and Underwriters 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 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.

\*The aforesaid will be appointed prior to filing of the Prospectus with RoC and their consents as above would be obtained prior to the filing of the Prospectus with RoC.

Our Company has received written consent from the Auditors namely, M/s. GMCA & Co., Chartered Accountants, (Peer Review Auditors) and M/s. Keyur Bavishi & Co., Chartered Accountants, (Statutory Auditors) to include their name in respect of the report on the Restated Financial Statements dated December 12, 2017 and the Statement of Tax Benefits dated November 28, 2017, issued by them and included in this Draft Prospectus, as required under section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Prospectus and as “Expert” as defined under section 2(38) of the Companies Act, 2013 and such consent has not been withdrawn as on the date of this Draft Prospectus.

### Expert Opinion

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

Our Company has received written consent from the Auditors namely, M/s. GMCA & Co., Chartered Accountants, (Peer Review Auditors) and M/s. Keyur Bavishi & Co., Chartered Accountants (Statutory Auditors) and Legal Advisor Ms/ Ashish Hareish Shah to include their name as required under section 26(1)(a)(v) of the Companies Act, 2013 in this Draft 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 December 12, 2017 and the Statement of Tax Benefits dated November 28, 2017, issued by them respectively, included in this Draft Prospectus and such consents have not been withdrawn as on the date of this Draft Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

### ISSUE RELATED EXPENSES

The expenses of this Issue 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 Issue.

Sr. No.	Particulars	Amount (₹ in lakhs)	% of Total Expenses	% of Total Issue size
1	Payment to Merchant Banker including fees and reimbursement of selling commissions, underwriting, brokerage, payment to Legal Advisors, Registrars. <sup>(2)(3)</sup>	34.00	68.00%	2.83%
2	Printing & Stationery, Distribution, Postage, etc.	3.00	6.00%	0.25%
3	Advertisement and Marketing Expenses	3.00	6.00%	0.25%
4	Listing Fees, Market Making fees, Market Regulatory & Other Expenses <sup>(1)</sup>	10.00	20.00%	0.83%
<b>Total</b>		<b>50.00</b>	<b>100%</b>	<b>4.16%</b>

<sup>(5)</sup> The SCSBs and other intermediaries would be entitled to a commission of T 10/- per every valid Application Form submitted to them and uploaded on the electronic system of the Stock Exchange by them.

<sup>(6)</sup> The SCSBs would be entitled to processing fees of T 25- per Application Form, for processing the Application Forms procured by other intermediaries and submitted to the SCSBs.

<sup>(7)</sup> Further, the SCSBs and other intermediaries would be entitled to selling commission of 0.10% of the Amount Allotted (product of the number of Equity Shares Allotted and the Issue Price) for the forms directly procured by them and uploaded on the electronic system of the Stock Exchange by them.

<sup>(8)</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 MOU dated November 24, 2017, the Underwriting Agreement dated November 25, 2017 and the Market Making Agreement dated November 25, 2017 among our Company 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 Issue**

The fees payable to the Registrar to the Issue, 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 Issue dated November 03, 2017.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable it to send refund orders or Allotment advice by registered post/speed post.

### **Previous Public and Rights Issues**

We have not made any rights and public issues in the past, and we are an “Unlisted Company” in terms of the SEBI (ICDR) Regulations and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations.

### **Previous Issues of Equity Shares otherwise than for Cash**

Except, as stated in the chapter titled “*Capital Structure*” beginning on page no. 50 of this Draft 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**

Two of our Group Companies viz: Gujarat Natural Resources Limited and Lesha Industries Limited and our Associate Vivanza Biosciences Limited are listed on the Stock Exchange and there has been no capital issue by them in the last 3 years. Further, our Subsidiary is not listed as on date of this Draft Prospectus.

### **Promise v. Performance (Issuer and Listed Group Companies / Subsidiaries / Associates)**

Our Company has not made any rights and public issues in the past.

Further, two of our Group Companies viz: Gujarat Natural Resources Limited and Lesha Industries Limited and our Associate Vivanza Biosciences Limited are listed on the Stock Exchange and there has been no capital issue by them in the last 3 years. Hence, there is no instance of promise vs. performance with regard to the capital issues raised by them. Further, our Subsidiary is not listed as on date of this Draft 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 Draft Prospectus.

### **Stock Market Data for our Equity Shares**

This being an initial public offer of the Company, the Equity Shares of the Company are not listed on any stock exchange.

### **Mechanism for Redressal of Investor Grievances**

Our Company has appointed Accurate Securities & Registry Private Limited as the Registrar to the Issue, to handle the investor grievances in co-ordination with the Compliance Officer of the Company. All grievances relating to the present Issue 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 Issue will handle investor’s grievances pertaining to the Issue. A fortnightly status report of the complaints received and redressed by them would be forwarded to the Company. Our Company would also be co-coordinating with the Registrar to the Issue 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 Issue 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 of Directors constituted the Stakeholder’s Relationship Committee pursuant to section 178 (5) of the Companies Act, 2013 *vide* resolution dated November 16, 2017. The Stakeholder’s Relationship Committee comprises of:

Name of the Member	Nature of Directorship	Designation in Committee
Ms. Payal Pandya	Non-Executive & Independent Director	Chairperson
Ms. Chitra Thaker	Non-Executive & Independent Director	Member
Mr. Ashok Shah	Non-Executive & Non-Independent Director	Member

For further details, please see the chapter titled “*Our Management*” beginning on page no. 104 of this Draft Prospectus.

The Company has also appointed Ms. Bhumika Rajani as the Company Secretary and Compliance Officer for this Issue and she may be contacted at the Registered Office of our Company. The contact details are as follows:

<b>Name</b>	Ms. Bhumika Rajani
<b>Address</b>	7th Floor, Ashoka Chambers, Opp. HCG Hospital Mithkhali Six Roads, Mithakhali Ahmedabad- 380006, Gujarat, India.
<b>Tel No.</b>	+91- 79- 2646 3226
<b>Fax No.</b>	+91- 79- 2646 3226
<b>Email</b>	<a href="mailto:compliance@ashokametcast.in">compliance@ashokametcast.in</a>

Investors can contact the Compliance Officer or the Registrar to the Issue or the Lead Manager in case of any pre-Issue or post-Issue related problems, such as non-receipt of letters of Allotment, credit of Allotted Equity Shares in the respective beneficiary accounts and refund orders.

#### Status of Investor Complaints

We confirm that we have not received any investor complaint during the three years preceding the date of this Draft Prospectus and hence there are no pending investor complaints as on the date of this Draft Prospectus.

#### Disposal of Investor Grievances by Listed Companies under the same Management as the Company

Two of our listed Group Companies viz: Gujarat Natural Resources Limited and Lasha Industries Limited and our listed Associate Vivanza Biosciences Limited have disposed all investor grievances received by them as on the date of this Draft Prospectus.

#### Change in Auditors

The details of change in the auditors of our Company are given below:

Sr. No.	Date	From	To
1	May 23, 2017	M/s. Shah Shreyas & Associates Chartered Accountants	Keyur Bavishi & Co., Chartered Accountants

### **Capitalisation of Reserves or Profits**

Except as stated in the chapter titled “*Capital Structure*” beginning on page no. 50 of this Draft Prospectus, our Company has not capitalised our reserves or profits during the last five years.

### **Revaluation of Assets**

We have not revalued our assets in the last 5 years.

## SECTION IX – ISSUE RELATED INFORMATION

### TERMS OF THE ISSUE

*The Equity Shares being issued are subject to the provisions of the Companies Act, SEBI (ICDR) Regulations, 2009, our Memorandum and Articles of Association, the terms of this Draft Prospectus, the 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 Issue. 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 Issue.*

*Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015. All the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment.*

*Further vide the said circular Registrar to the issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official websites of the concerned stock exchanges for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.*

#### **Authority for the Issue**

This Issue of Equity Shares has been authorized by the Board of Directors of our Company at their meeting held on November 11, 2017 and was approved by the Shareholders of the Company by passing a Special Resolution at the Extra Ordinary General Meeting held on November 15, 2017 in accordance with the provisions of Section 62 (1) (C) of the Companies Act, 2013.

#### **Ranking of Equity Shares**

The Equity Shares being issued 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 "*Main Provisions of the Articles of Association of our Company*" beginning on page no. 269 of this Draft 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. Our Company shall pay dividend, if declared, to our Shareholders as per the provisions of the Companies Act, SEBI Listing Regulations and our Articles of Association. For further details, please see "*Dividend Policy*" and "*Main Provisions of Article of Association*" beginning on page nos. 138 and 269 respectively of this Draft Prospectus.

#### **Face Value and Issue Price**

The Equity Shares having a face value of T10 each are being issued in terms of this Draft Prospectus at the price of ₹ 20 per Equity Share. The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the chapter titled "*Basis for Issue Price*" beginning on page no. 65 of this Draft Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

## **Compliance with 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 or e-voting, in accordance with the provisions of the Companies Act;
- ✓ Right to receive annual reports and notices to members;
- ✓ Right to receive offer for rights shares and be allotted bonus shares, if announced;
- ✓ Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- ✓ Right of free transferability, subject to applicable laws and regulations; and the Articles of Association of our Company; and
- ✓ Such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, terms of the listing agreements with the Stock Exchange and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien and / or consolidation / splitting, etc., please see "*Main Provisions of Articles of Association of our company*" beginning on page no. 269 of this Draft 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 entered into by our Company, with the respective Depositories and the Registrar and Share Transfer Agent to the Issue:

- 1) Tripartite agreement dated December 11, 2017 between our Company, NSDL and the Registrar and Share Transfer Agent to the Issue.
- 2) Tripartite agreement dated November 15, 2017 between our Company, CDSL and the Registrar and Share Transfer Agent to the Issue.

Trading of the Equity Shares will happen in the minimum contract size of 6,000 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 BSE from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Issue will be done in multiples of 6,000 Equity Share subject to a minimum allotment of 6,000 Equity Shares to the successful Applicants.

## **Minimum Number of Allottees**

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies collected shall be refunded /unblocked within 6 Working days of closure of issue.

## **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 Issue

Our Company in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time after the Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-issue advertisements were published, within two days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA 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 withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an issue of the Equity Shares, our Company shall file a fresh Draft Offer Document. Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment.

## ISSUE PROGRAMME

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

Event	Indicative Date
Issue Opening Date	[•]
Issue Closing Date	[•]
Finalisation of Basis of Allotment with the Designated Stock Exchange	[•]
Initiation of Allotment / Refunds / Unblocking of Funds	[•]
Credit of Equity Shares to demat accounts of Allottees	[•]
Commencement of trading of the Equity Shares on the Stock Exchange	[•]



The above timetable is indicative and does not constitute any obligation on our Company 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 Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company, or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Applications and any revision to the same shall be accepted **only between 10.00 a. m. and 5.00 p. m.** (IST) during the Issue Period. On the Issue Closing Date, the 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 Issue Closing Date, the Applicants are advised to submit their Applications one day prior to the Issue Closing Date and, in any case, no later than 3.00 p.m. (IST) on the Issue 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 Issue 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 Issue. 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 Issue Closing Date. Except Allocation to Retail Individual Investors, Allocation in the Issue 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 Issue 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 Issue. In terms of Regulation 106P(1) of the ICDR Regulations, the Issue 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.

However, we shall ensure that the minimum subscription to be received shall be subject to allotment of minimum number of specified securities as prescribed in sub-clause (b) of clause (2) of rule 19 of Securities Contracts (Regulation) Rules, 1957 and also that the minimum number of allottees as prescribed in regulation 106R of the SEBI (ICDR) Regulations, 2009, as amended.

If our Company does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriters within sixty days from the date of closure of the Issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the issuer becomes liable to pay the amount, the issuer shall pay interest prescribed under section 40 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 6,000 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 SME Platform of BSE.

### **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 see “*Main Provisions of the Articles of Association of our Company*” beginning on page no. 269 of this Draft Prospectus..

### **New Financial Instruments**

Our Company is not issuing any new financial instruments through this Issue.

### **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 on the SME Platform of the BSE.

### **Migration to Main Board**

In accordance with the BSE Circular dated November 26, 2012, our Company will have to be mandatorily listed and traded on the SME Platform of the BSE for a minimum period of two years from the date of listing and only after that it can migrate to the Main Board of the BSE as per the guidelines specified by SEBI and as per the procedures laid down under 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 BSE from the SME Exchange 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 BSE for listing our shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.
- If the Paid up Capital of the company is more than T 10 crores but below T 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 issued through this Issue are proposed to be listed on the SME Platform of BSE (SME Exchange), wherein the Lead Manager to this Issue 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 SME Platform of BSE.

For further details of the Market Making Agreement entered into between our Company, The Lead Manager and the Market Maker, please see “*General Information - Details of the Market Making Arrangement for this Issue*” beginning on page no. 269 of this Draft Prospectus.

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**Jurisdiction**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Mumbai, Maharashtra, India. The Equity Shares have not been and will not be registered under the 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.

## ISSUE STRUCTURE

This Issue 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 more than ten crore 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 SME Platform of BSE]. For further details regarding the salient features and terms of such this Issue, please see "*Terms of the Issue*" and "*Issue Procedure*" beginning on page nos. 64 and 222 respectively of this Draft Prospectus.

### Following is the issue structure:

Public issue of 60,00,000 Equity Shares of ₹ 10 each (the "**Equity Shares**") for cash at a price of ₹ 20 per Equity Share aggregating to ₹ 1,200 lakhs (the "**Issue**") by Ashoka Metcast Limited. ("**AML**" or the "**Company**" or the "**Issuer**").

The Issue comprises a reservation of 3,12,000 Equity Shares of ₹ 10 each for subscription by the designated Market Maker (the "**Market Maker Reservation Portion**") and Net Issue to Public of 56,88,000 Equity Shares of ₹10 each (the "**Net issue**"). The Issue and the Net Issue will constitute [ $\bullet$ ] % and [ $\bullet$ ] %, respectively of the post issue paid up equity share capital of our Company. The Issue is being made through the Fixed Price Process:

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
Number of Equity Shares available for allocation	56,88,000 Equity Shares	3,12,000 Equity Shares
Percentage of Issue Size available for allocation	94.80 % of the Issue Size	5.2 % of the Issue Size
Basis of Allotment	Proportionate subject to minimum allotment of 6,000 Equity Shares and further allotment in multiples of 6,000 Equity Shares each. For further details please see paragraph titled " <i>Basis of Allotment</i> " beginning on page no. 258 of this Draft Prospectus	Firm Allotment
Mode of Application	Through ASBA Process only	Through ASBA Process only
Minimum Application Size	<b>For QIB and NII:</b> Such number of Equity Shares in multiples of 6,000 Equity Shares such that the Application Value exceeds ₹ 2.00 Lakhs. <b>For Retail Individuals:</b> 6,000 Equity Shares	3,12,000 Equity Shares
Maximum Application Size	<b>For QIB and NII:</b> Such number of Equity Shares in multiples of 6,000 Equity Shares such that the Application Size does not exceeds 56,88,000 Equity Shares. <b>For Retail Individuals:</b> 6,000 Equity Shares	3,12,000 Equity Shares
Mode of Allotment	Dematerialized Form	Dematerialized Form
Trading Lot	6,000 Equity Shares	6,000 Equity Shares. However, the Market Maker may buy odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2009.

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
Terms of Payment	The entire Application Amount will be payable at the time of submission of the Application Form.	

This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009 as amended from time to time. For further details, please see “*Issue Structure*” beginning on page 220 of this Draft Prospectus.

\*As per Regulation 43(4) of SEBI (ICDR) Regulations, the allocation in the Net Issue to Public Category shall be made as follows:

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

*If the retail individual investor category is entitled to more than fifty percent on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage.*

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:

Issue 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	6600
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 Issue in consultation with Lead Manager, our Company and BSE 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.

## ISSUE PROCEDURE

All Applicants should review the General Information Document for Investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI (“**General Information Document**”), included below under “**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 Issue. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Our Company 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 Draft 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 Draft Prospectus.

Please note that all the Applicants can participate in the Issue 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 Issue and Share Transfer Agent (“RTA”) that have been notified by BSE to act as intermediaries for submitting Application Forms are provided on <http://www.Bseindia.com>. For details on their designated branches for submitting Application Forms, please see the above mentioned BSE website.

Pursuant to the SEBI (Issue of Capital and Disclosure Requirements) (Fifth Amendment) Regulations, 2015, the ASBA process become mandatory for all investors w.e.f. January 1, 2016 and it allows the registrar, share transfer agents, depository participants and stock brokers to accept application forms.

### PART A

#### FIXED PRICE ISSUE PROCEDURE

The Issue 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 Issue 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 Issue Price.

Subject to the valid Applications being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual 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 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 BSE ([www.bseindia.com](http://www.bseindia.com)), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Issue Opening Date.

All Applicants shall mandatorily participate in the Issue 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 only.

### Who Can Apply?

1. Indian nationals resident in India, who are not minors (except through their Legal Guardians), in single or joint names (not more than three);
2. 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;
3. Companies, Corporate Bodies and Societies registered under the applicable laws in India and authorised to invest in equity shares;
4. Mutual Funds registered with SEBI;
5. Eligible NRIs on a repatriation basis or on a non-repatriation basis subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this issue;
6. Indian financial institutions, scheduled commercial banks (excluding foreign banks), regional rural banks, co-operative banks (subject to RBI regulations and the SEBI Regulations and other laws, as applicable);
7. FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or foreign individual under the QIB portion;

8. Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals only under the Non-Institutional Applications portion;
9. 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 Issue, 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 Issue. 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 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 6,000 Equity Shares and in multiples of 6,000 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 6,000 Equity Shares thereafter. Application cannot be submitted for more than the Issue 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 Issue shall not be made public during the Issue 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 Issue Opening Date.
- b) Our Company shall, after registering the Prospectus with the RoC, make a pre-Issue advertisement, in the form prescribed under the ICDR Regulations, in English and Hindi national newspapers and one regional newspaper with wide circulation. In the pre-Issue advertisement, our Company and the Lead Manager shall advertise the Issue Opening Date, the Issue Closing Date. This advertisement, subject to the provisions of the Companies Act, shall be in the format prescribed in Part A of Schedule XIII of the ICDR Regulations.
- c) 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 BSE ([www.bseindia.com](http://www.bseindia.com)), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Issue 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 BSE ([www.bseindia.com](http://www.bseindia.com)), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Issue Opening Date.

**Participation by associates and affiliates of the Lead Manager**

The Lead Manager shall not be allowed to subscribe to this Issue 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 Issue 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 Issue, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations. Further, a qualified foreign investor who had not obtained a certificate of registration as and FPI could only continue to buy, sell or otherwise deal in securities until January 06, 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 Issue.

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 Issue, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of 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 Issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10.00% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10.00% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24.00% 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 Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. .

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client' norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

FPIs who wish to participate in the Issue are advised to use the Application Form for Non-Residents (blue in color).

#### **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 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 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 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 Issue 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 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).

### **Applications by SCSBs**

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 02, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such 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 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 and the Lead Manager may deem fit.

**The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and 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 ₹20,00,000 (for Applications by Retail Individual Applicants);
- 9) Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue size and / or investment limit or maximum number of 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 an 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 Issue**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the Lead Manager or Registrar to the Issue shall send to the SCSBs a list of their Applicants who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Applicants who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Applicant.

## Payment instructions

The entire issue price of ₹ 20 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 Issue Bank Account. The balance amount after transfer to the Public Issue 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 Issue 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 Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal / failure of the Issue or until rejection of the application, 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 01, 2016 and it allows the registrar, share transfer agents, depository participants and stock brokers to accept application forms.

## Electronic Registration of Applications

- 1) The Application Collecting Intermediary will register the applications using the on-line facilities of the Stock Exchange.
- 2) The Application Collecting Intermediary will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of the next Working day from the Issue Closing Date.
- 3) The Application Collecting Intermediary shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the applications accepted by them, (ii) the applications uploaded by them, (iii) the applications accepted but not uploaded by them or (iv) In case the applications accepted and uploaded by any Application Collecting Intermediary other than SCSBs, the Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
- 4) Neither the Lead Manager nor the Company, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the applications accepted by any Application Collecting Intermediaries, (ii) the applications uploaded by any Application Collecting Intermediaries or (iii) the applications accepted but not uploaded by the Application Collecting Intermediaries.
- 5) The Stock Exchange will Issue an electronic facility for registering applications for the Issue. This facility will be available at the terminals of the Application Collecting Intermediaries and their authorised agents during the Issue Period. On the Issue Closing Date, the Application Collecting Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange.
- 6) With respect to applications by Applicants, at the time of registering such applications, the Application Collecting Intermediaries shall enter the following information pertaining to the Applicants into the on-line system:
  - Name of the Applicant;
  - IPO Name;



- Application Form Number;
  - Investor Category;
  - PAN Number
  - DP ID & Client ID
  - Numbers of Equity Shares Applied for;
  - Amount;
  - Location of the Banker to the Issue or Designated Branch, as applicable;
  - Bank Account Number and
  - Such other information as may be required.
- 7) In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above mentioned details and mentioned the bank account number, except the Electronic Application Form number which shall be system generated.
  - 8) The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof or having accepted the application form, in physical or electronic mode, respectively. The registration of the Application by the Application Collecting Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
  - 9) Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
  - 10) The Application Collecting Intermediaries shall have no right to reject the applications, except on technical grounds.
  - 11) The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way deemed or construed to mean the compliance with various statutory and other requirements by our Company and / or the Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness or any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Prospectus; not does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchange.
  - 12) The Application Collecting Intermediaries will be given time till 1.00 p.m. on the next working day after the Issue Closing Date to verify the PAN No., DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with the Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
  - 13) The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for ASBA Applicants.

#### **Allocation of Equity Shares**

- 1) The Issue is being made through the Fixed Price Process wherein 3,12,000 Equity Shares shall be reserved for the Market Maker. 56,88,000 Equity Shares will be allocated on a proportionate basis to Retail Individual Applicants, subject to valid applications being received from the Retail Individual Applicants at the Issue Price. The balance of the Net Issue will be available for allocation on a proportionate basis to Non Retail Applicants.
- 2) Under-subscription, if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange.
- 3) Allocation to Non-Residents, including Eligible NRIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.

- 4) In terms of SEBI Regulations, Non Retails Applicants shall not be allowed to either withdraw or lower the size of their application at any stage.
- 5) Allotment status details shall be available on the website of the Registrar to the Issue.

### **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act, 2013, our Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in 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-Issue advertisement, we shall state the Issue Opening Date and the Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule XIII of the SEBI Regulations.

### **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 November 25, 2017.
- b) For terms of the Underwriting Agreement please see “*General Information*” beginning on page no. 42 of this Draft Prospectus.
- c) We will file a copy of the Prospectus with the RoC in terms of Section 26 and all other provision applicable as per Companies Act, 2013.

### **Communications**

All future communications in connection with Applications made in this Issue 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-issue or post-issue 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 Issue after the Issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the Pre-Issue advertisements were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;
- 2) If our Company withdraw the Issue after the Issue Closing Date, our Company shall be required to file a fresh offer document with the RoC/SEBI, in the event our Company subsequently decides to proceed with the Issue;
- 3) The complaints received in respect of the Issue 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 Issue Closing Date;
- 5) The funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;
- 6) Allotment will be made or the application money will be refunded within Six Working Days from the Issue Closing Date or such lesser time as specified by SEBI; If there is any delay beyond the prescribed time, Our Company, shall pay interest prescribed under Companies Act, 2013, the SEBI Regulations and the applicable law for the delayed period.
- 7) Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within six Working Days from the Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- 8) The certificates of the securities/refund orders to Eligible NRIs shall be dispatched within specified time;
- 9) No further Issue of Equity Shares shall be made till the Equity Shares offered through this Issue Document are listed or until the Application monies are refunded on account of non-listing, under-subscription etc;
- 10) Adequate arrangements shall be made to collect all Application Forms.

## Utilization of Issue Proceeds

The Board of Directors of our Company certifies that:

- 1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act, 2013;
- 2) Details of all monies utilized out of the 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 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 Issue.
- 5) Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

## 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. Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the issue. For taking an investment decision, the Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read the Prospectus before investing in the Issue.

#### SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken through the Book-Building Process as well as to the Fixed Price Issues. The purpose of the “General Information Document for Investing in Public Issues” is to provide general guidance to potential 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”).

Applicants should note that investment in equity and equity related securities involves risk and Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue are set out in the Prospectus filed by the Issuer with the Registrar of Companies (“RoC”). Applicants should carefully read the entire Prospectus and the Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the Prospectus, the disclosures in the Prospectus shall prevail. The Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the BRLM(s) to the Issue and on the website of Securities and Exchange Board of India (“SEBI”) at [www.sebi.gov.in](http://www.sebi.gov.in).

For the definitions of capitalized terms and abbreviations used herein 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, Applicants may refer to the 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, Applicants may refer to the 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 Applicants may refer to the 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 Issue Price through the Book Building Process (“Book Built Issue”) or undertake a Fixed Price Issue (“Fixed Price Issue”). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre- Issue advertisement was given at least five Working Days before the Bid/ Issue Opening Date, in case of an IPO and at least one Working Day before the Bid/ Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities.

Applicants should refer to the Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

## **2.5 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. Applicants are advised to refer to the Application Form and Abridged Prospectus or Prospectus for details of the Issue Period. Details of Issue Period are also available on the website of the Stock Exchange(s).

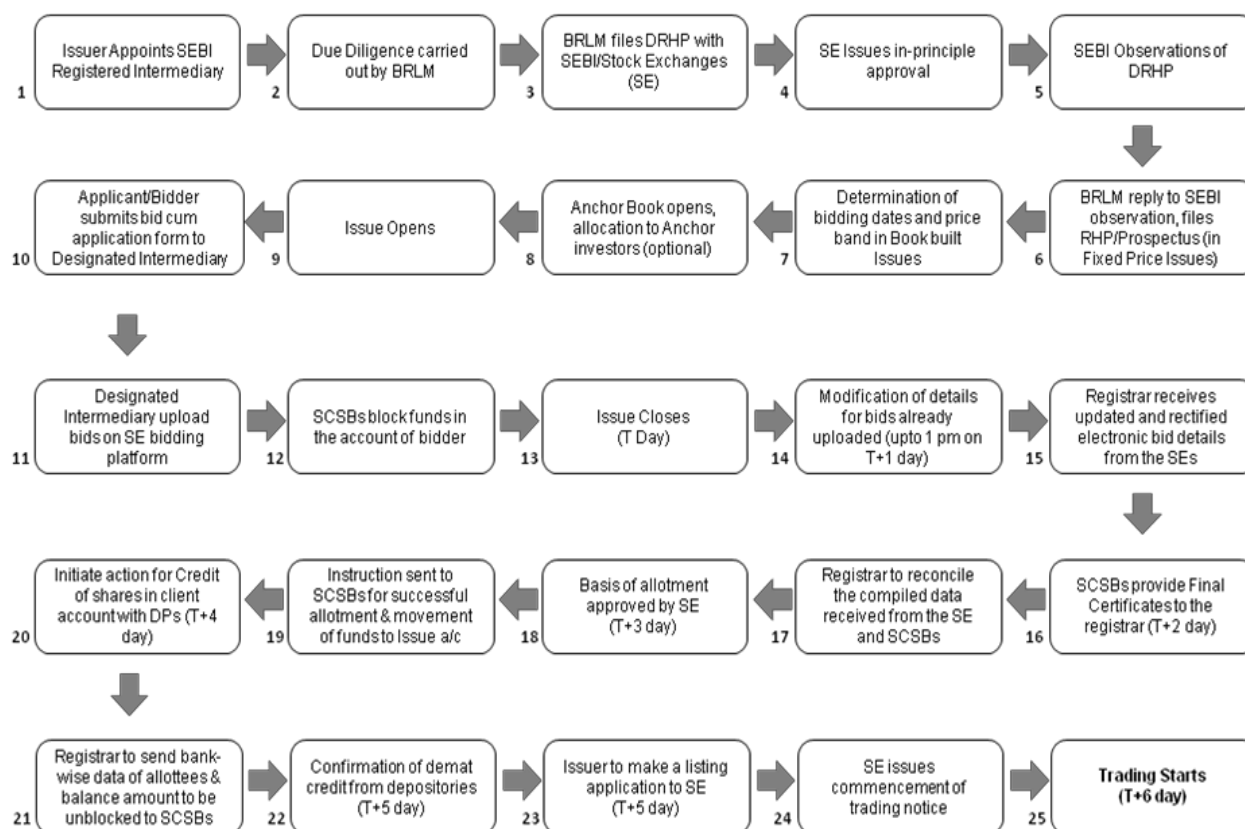
In case of a Book Built Issue, the Issuer may close the Issue Period for QIBs one Working Day prior to the Issue Closing Date if disclosures to that effect are made in the Prospectus. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/ Issue Period may be extended by at least three Working Days, subject to the total Issue Period not exceeding 10 Working Days. For details of any revision of the Floor Price or Price Band, 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. 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 Applicant should check whether it is eligible to apply under applicable law.* Furthermore, certain categories of Applicants, such as NRIs, FIIs, FPIs and FVCIs may not be allowed to Apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.

Subject to the above, an illustrative list of Applicants is as follows:

- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three);
- 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 Applicant should specify that the Application is being made in the name of the HUF in the Application Form as follows: “Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*”. Applications by HUFs may be considered at par with 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 (“NII’s”) category;
- FPIs other than Category III foreign portfolio investors, Bidding under the QIBs category;
- FPIs which are Category III foreign portfolio investors, Bidding under the NIIs category;
- Trusts/societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares;
- 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.

Applicants should ensure that they apply in the appropriate category. The prescribed color of the Bid cum Application Form for various categories of Applicants is as follows:

Category	Colour
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

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

Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the Prospectus and the Application Form are liable to be rejected.

Instructions to fill each field of the 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:

TEAR HERE

<b>COMMON BID CUM APPLICATION FORM</b>	<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - R</b> Address : ..... Contact Details: ..... CIN No .....	<b>FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS</b>																																																															
LOGO	TO, THE BOARD OF DIRECTORS XYZ LIMITED	<table border="1" style="width: 100%;"> <tr> <td style="width: 50%; text-align: center;">BOOK BUILT ISSUE</td> <td style="width: 50%;">Bid cum Application Form No. _____</td> </tr> <tr> <td style="text-align: center;">ISIN : .....</td> <td></td> </tr> </table>	BOOK BUILT ISSUE	Bid cum Application Form No. _____	ISIN : .....																																																												
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<b>3. BIDDER'S DEPOSITORY ACCOUNT DETAILS</b> <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID		<b>6. INVESTOR STATUS</b> <input type="checkbox"/> Individual(s) - IND <input type="checkbox"/> Hindu Undivided Family* - HUF <input type="checkbox"/> Bodies Corporate - CO <input type="checkbox"/> Banks & Financial Institutions - FI <input type="checkbox"/> Mutual Funds - M F <input type="checkbox"/> Non-Resident Indians - NRI (Non-Repatriation basis) <input type="checkbox"/> National Investment Fund - NIF <input type="checkbox"/> Insurance Funds - IF <input type="checkbox"/> Insurance Companies - IC <input type="checkbox"/> Venture Capital Funds - VCF <input type="checkbox"/> Alternative Investment Funds - AIF <input type="checkbox"/> Others (Please specify) - OTH																																																															
<b>4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")</b> <table border="1" style="width: 100%; text-align: center;"> <thead> <tr> <th rowspan="2">Bid Options</th> <th colspan="8">No. of Equity Shares Bid (In Figures) (Bid: must be in multiples of Bid Lot as advertised)</th> <th colspan="3">Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)</th> <th rowspan="2">"Cut-off" (Please tick)</th> </tr> <tr> <th>8</th><th>7</th><th>6</th><th>5</th><th>4</th><th>3</th><th>2</th><th>1</th> <th>Bid Price</th><th>Retail Discount</th><th>Net Price</th> </tr> </thead> <tbody> <tr> <td>Option 1</td> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> <td></td><td></td><td></td> <td><input type="checkbox"/></td> </tr> <tr> <td>(OR) Option 2</td> <td></td><td></td><td></td><td></td><td></td><td></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></td><td></td><td></td> <td></td><td></td><td></td> <td><input type="checkbox"/></td> </tr> </tbody> </table>		Bid Options	No. of Equity Shares Bid (In Figures) (Bid: must be in multiples of Bid Lot as advertised)								Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			"Cut-off" (Please tick)	8	7	6	5	4	3	2	1	Bid Price	Retail Discount	Net Price	Option 1												<input type="checkbox"/>	(OR) Option 2												<input type="checkbox"/>	(OR) Option 3												<input type="checkbox"/>	<b>5. CATEGORY</b> <input type="checkbox"/> Retail Individual Bidder <input type="checkbox"/> Non-Institutional Bidder <input type="checkbox"/> QIB <small>* HUF should apply only through Karna (Application by HUF would be treated on par with Individual)</small>
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<b>7. PAYMENT DETAILS</b> Amount paid (₹ in figures) _____ (₹ in words) _____ ASBA Bank A/c No. _____ 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> _____ Date : _____	<b>8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)</b> I/We authorize the SCSB to do all acts as are necessary to make the Application in the law 1) _____ 2) _____ 3) _____	<b>BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)</b> _____																																																															
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**4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE / FIRST BIDDER / APPLICANT**

- a) 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:** Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/mobile number fields are optional. Applicants should note that the contact details mentioned in the Application Form may be used to dispatch communications (including letters notifying the



unblocking of the bank accounts of 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 Applications, the Applications should be made in the name of the Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders. All communications may be addressed to such Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.
- d) **Impersonation:** Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

*“Any person who:*

- *makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- *makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- *otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*

*shall be liable 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 Applicant:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of Allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Applicants should inform their respective DP.

#### **4.1.2 FIELD NUMBER 2: PAN NUMBER OF SOLE/FIRST APPLICANT**

- a) PAN (of the sole/first Applicant) provided in the Application Form should be exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held as per the Depositories' records.
- b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Applications on behalf of the Central or State Government, Applications by officials appointed by the courts and Applications by Applicants residing in Sikkim (“PAN Exempted Applicants”). Consequently, all Applicants, other than the PAN Exempted Applicants, are required to disclose their PAN in the Application Form, irrespective of the Application Amount. Applications by the Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.
- c) The exemption for the PAN Exempted Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.
- d) Bid cum Application Forms which provide the General Index Register Number instead of PAN may be rejected.

- e) Applications by Applicants whose demat accounts have been ‘suspended for credit’ are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as “Inactive demat accounts” and Demographic Details are not provided by depositories.

#### 4.1.3 FIELD NUMBER 3: APPLICANTS DEPOSITORY ACCOUNT DETAILS

- a) Applicants should ensure that DP ID and the Client ID are correctly filled in the Application Form. The DP ID and Client ID provided in the Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Application Form is liable to be rejected.**
- b) Applicants should ensure that the beneficiary account provided in the Application Form is active.
- c) Applicants should note that on the basis of the DP ID and Client ID as provided in the Application Form, the Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for unblocking of ASBA Account or for other correspondence(s) related to an Issue.
- d) Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Applicants’ sole risk.

#### 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 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 Issue Opening Date in case of an IPO, and at least one Working Day before Issue Opening Date in case of an FPO.
- b) The Bidders may Bid at or above Floor Price or within the Price Band for IPOs/FPOs undertaken through the Book Building Process. In the case of Alternate Book Building Process for an FPO, the Bidders may Bid at Floor Price or any price above the Floor Price (For further details Bidders may refer to (Section 5.6 (e))
- c) **Cut-Off Price:** Retail Individual Investors or Employees or Retail Individual Shareholders can Bid at the Cut-off Price indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.
- d) **Minimum Application Value and Bid Lot:** The Issuer in consultation with the BRLMs may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹ 10,000 to ₹ 15,000. The minimum Bid Lot is accordingly determined by an Issuer on basis of such minimum application value.
- e) **Allotment:** The Allotment of specified securities to each RII shall not be less than the minimum Bid Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be Allotted on a proportionate basis. For details of the Bid Lot, Bidders may refer to the 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 L 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 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 L 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 Prospectus.
- c) An Issuer can make reservation for certain categories of Applicants as permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, Applicants may refer to the 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 Applicant may refer to the Prospectus.

#### **1.1.6 FIELD NUMBER 6: INVESTOR STATUS**

- a) Each Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective Allotment to it in the Issue is in compliance with the investment restrictions under applicable law.
- b) Certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to Apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.
- c) Applicants should check whether they are eligible to apply on non -repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Bid cum Application Form and Non-Resident Bid cum Application Form.
- d) Applicants should ensure that their investor status is updated in the Depository records.

#### **4.1.7 FIELD NUMBER 7: PAYMENT DETAILS**

- a) 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 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 favoring 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.

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 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 Prospectus.
- c) The Bidders entitled to the applicable Discount in the Issue may block an amount i.e. the Bid Amount less Discount (if applicable).



Bidder may note that in case the net amount blocked (post Discount) is more than two lakh Rupees, the Bidding system automatically considers such applications for allocation under Non-Institutional Category. These applications are neither eligible for Discount nor fall under RII category.

#### **4.1.8 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS**

- a) Only the First Applicant is required to sign the Application Form. Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- b) If the ASBA Account is held by a person or persons other than the Applicant, then the Signature of the ASBA Account holder(s) is also required.
- c) 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) Applicants must note that Bid cum Application Form/Application Form without signature of 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 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 Applicants should contact the Registrar to the Issue.
  - 2) In case of Bids submitted to the Designated Branches of the SCSBs, the 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 Applicants should contact the relevant Syndicate Member.
  - 4) In case of queries relating to uploading of Bids by a Registered Broker, the Applicants should contact the relevant Registered Broker
  - 5) In case of Bids submitted to the RTA, the Applicants should contact the relevant RTA.
  - 6) In case of Bids submitted to the DP, the Applicants should contact the relevant DP.
  - 7) 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 Applicant, Bid cum Application Form number, Applicants' 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, Applicant may refer to the Prospectus and the Bid cum Application Form.

#### **4.2 INSTRUCTIONS FOR FILING THE REVISION FORM**

- a) During the Issue Period, any Applicant (other than QIBs and NIIs, who can only revise their 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 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 Applicant can make this revision any number of times during the Issue Period. However, for any revision(s) in the Bid, the Applicants will have to use the services of the same Designated Intermediary through which such Applicant had placed the original Bid. Applicants are advised to retain copies of the blank Revision Form and the Bid(s) must be made only in such Revision Form or copies thereof.

A sample revision form is reproduced below:



<b>COMMON BID REVISION FORM</b>	<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - R</b> Address : ..... Contact Details : ..... CIN No .....	<b>FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs, AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS</b>
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LOGO TO, THE BOARD OF DIRECTORS XYZ LIMITED

BOOK BUILT ISSUE
ISIN : .....

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER
		Mr./Ms. <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>
		Address <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>
		Tel. No (with STD code) / Mobile <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>
		2. PAN OF SOLE / FIRST BIDDER
		3. BIDDER'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL
		For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

**PLEASE CHANGE MY BID**

4. FROM (AS PER LAST BID OR REVISION)												
Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised)								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"
Option 1												(Please tick)
(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 (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"
Option 1												(Please tick)
(OR) Option 2												<input type="checkbox"/>
(OR) Option 3												<input type="checkbox"/>

6. PAYMENT DETAILS												
Additional Amount Paid (₹ in figures)										PAYMENT OPTION : FULL PAYMENT <input type="checkbox"/> PART PAYMENT <input type="checkbox"/>		
(₹ in words)												
ASBA Bank A/c No. <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>												
Bank Name & Branch <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>												

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.

7A. SIGNATURE OF SOLE / FIRST BIDDER	7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS) I/We authorize the SCSB to do all acts as are necessary to make the Application in the law	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
Date : <span style="border: 1px solid black; display: inline-block; width: 50px; height: 15px;"></span>	1) <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> 2) <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> 3) <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>	

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LOGO	<b>XYZ LIMITED</b> BID REVISION FORM - INITIAL PUBLIC ISSUE - R	<b>Acknowledgement Slip for Broker/SCSB/DP/RTA</b>	Bid cum Application Form No. <span style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></span>
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DPID / CLID	<span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span>	PAN of Sole / First Bidder <span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span>
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Additional Amount Paid (₹)	Bank & Branch	Stamp & Signature of SCSB Branch
ASBA Bank A/c No. <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>		
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>	

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<b>XYZ LIMITED - BID REVISION FORM - INITIAL PUBLIC ISSUE - R</b>	<table border="1" style="width:100%; border-collapse: collapse;"> <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>Additional Amount Paid (₹)</td> <td></td><td></td><td></td> </tr> <tr> <td>ASBA Bank A/c No. <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span></td> <td colspan="3"></td> </tr> <tr> <td>Bank &amp; Branch <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span></td> <td colspan="3"></td> </tr> </table>		Option 1	Option 2	Option 3	No. of Equity Shares				Bid Price				Additional Amount Paid (₹)				ASBA Bank A/c No. <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>				<p>Stamp &amp; Signature of Broker / SCSB / DP / RTA <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span></p> <p>Name of Sole / First Bidder <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span></p> <p style="text-align:center;"><b>Acknowledgement Slip for Bidder</b></p> <p>Bid cum Application Form No. <span style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></span></p>
	Option 1	Option 2	Option 3																							
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ASBA Bank A/c No. <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>																										

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 APPLICANT, PAN OF SOLE/FIRST APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE APPLICANT**

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3. 4.2.2

#### **FIELD 4 & 5: BID OPTIONS REVISION 'FROM' AND 'TO'**

- a) Apart from mentioning the revised options in the Revision Form, the 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 Applicant has Bid for three options in the Bid cum Application Form and such Applicant is changing only one of the options in the Revision Form, the 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 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 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 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 Applicants are required to make payment of the full Bid Amount (less Discount, if applicable) along with the Bid Revision Form. In case of 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) Applicant may Offer 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 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 Prospectus. If, however, the 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 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

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 APPLICANT, PAN OF SOLE/FIRST APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE APPLICANT

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

##### 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 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 ₹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 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 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) Applicants should submit the Revision Form to the same Designated Intermediary through which such Applicant had placed the original Bid.



- b) Upon submission of the Bid cum Application Form, the 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 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 Issue Period, 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 Applicants (excluding NIIs and QIBs) Bidding at Cut-off Price, the 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 Applicants are requested to refer to the Prospectus.

### **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 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 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. Applicants are advised to note that the Applications are liable to be rejected, inter-alia, on the following grounds, which have been detailed at various places in this GID:-

- a) Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);
- b) Applications by OCBs; and
- c) In case of partnership firms, Application for Equity Shares made in the name of the firm. However, a limited liability partnership can apply in its own name;
- d) In case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents not being submitted along with the Bid cum application form/Application Form;
- e) Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- f) Applications by persons in the United States excluding persons who are a U.S. QIB (as defined in this Prospectus);
- g) 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 Applications by or on behalf of the Central or State Government and officials appointed by the court and by the investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participant;
- i) In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;

- j) Applications for lower number of Equity Shares than the minimum specified for that category of investors;
- k) Applications at a price less than the Floor Price and Bids/Applications at a price more than the Cap Price;
- l) 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 Applied for;
- n) 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) Applications for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the Prospectus;
- q) Multiple Applications as defined in this GID and the Prospectus;
- r) Application Forms are not delivered by the Applicants within the time prescribed as per the Application Form, Issue Opening Date advertisement and as per the instructions in the Prospectus and the Bid cum Application Forms;
- s) Inadequate funds in the bank account to block the Application Amount specified in the Bid cum Application Form/Application Form at the time of blocking such Application Amount in the bank account;
- t) In case of Anchor Investors, 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) Applications by Bidders (other than Anchor Investors) not submitted through ASBA process;
- w) 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) Applications not uploaded on the terminals of the Stock Exchanges; and
- y) 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 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 Prospectus. For details in relation to allocation, the Applicant may refer to the 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, Applicants may refer to the 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, ₹ 22.00 in the above example. The Issuer in consultation with the BRLM, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

e) **Alternate Method of Book Building**

In case of FPOs, Issuers may opt for an alternate method of Book Building in which only the Floor Price is specified for the purposes of bidding (“**Alternate Book Building Process**”).

The Issuer may specify the Floor Price in the Prospectus or advertise the Floor Price at least one Working Day prior to the Issue Opening Date. QIBs may Bid at a price higher than the Floor Price and the Allotment to the QIBs is made on a price priority basis. The Bidder with the highest Bid Amount is allotted the number of Equity Shares Bid for and then the second highest Bidder is Allotted Equity Shares and this process continues until all the Equity Shares have been allotted. RIIs, NIIs and Employees are Allotted Equity Shares at the Floor Price and Allotment to these categories of Bidders is made proportionately. If the number of Equity Shares Bid for at a price is more than available quantity then the Allotment may be done on a proportionate basis. Further, the Issuer may place a cap either in terms of number of specified securities or percentage of issued capital of the Issuer that may be Allotted to a single Bidder, decide whether a Bidder be allowed to revise the bid upwards or downwards in terms of price and/or quantity and also decide whether a Bidder be allowed single or multiple bids.

## SECTION 6: ISSUE PROCEDURE IN FIXED PRICE ISSUE

**Applicants may note that there is no Bid cum Application Form in a Fixed Price Issue.** As the Issue Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the Application Form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through the Designated Intermediary.

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, Applicants may refer to the relevant section of the BID.

## **SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT**

The Allotment of Equity Shares to Applicants other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Applicants may refer to Prospectus. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue (excluding any Offer for Sale of specified securities). However, in case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

### **7.1 ALLOTMENT TO RIIs**

Bids received from the RIIs at or above the Issue Price may be grouped together to determine the total demand under this category. If the aggregate demand in this category is less than or equal to the Retail Category at or above the Issue Price, full Allotment may be made to the RIIs to the extent of the valid Bids. If the aggregate demand in this category is greater than the allocation to in the Retail Category at or above the Issue Price, then the maximum number of RIIs who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot (“**Maximum RII Allottees**”). The Allotment to the RIIs will then be made in the following manner:

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

### **7.2 ALLOTMENT TO NIIs**

Bids received from NIIs at or above the Issue Price may be grouped together to determine the total demand under this category. The Allotment to all successful NIIs may be made at or above the Issue Price. If the aggregate demand in this category is less than or equal to the Non-Institutional Category at or above the Issue Price, full Allotment may be made to NIIs to the extent of their demand. In case the aggregate demand in this category is greater than the Non-Institutional Category at or above the Issue Price, Allotment may be made on a proportionate basis up to a minimum of the Non-Institutional Category.

### **7.3 ALLOTMENT TO QIBs**

For the Basis of Allotment to Anchor Investors, Applicants may refer to the SEBI ICDR Regulations, 2009 or 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 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. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.

- c) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) credit of shares to the successful Applicants Depository Account will be completed within six Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Applicant's depository account is completed within 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 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 Prospectus. The Designated Stock Exchange may be as disclosed in the 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 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 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 Issue 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 Issue Closing Date and repay, without interest, all moneys received from Anchor Investors. In case the Issue is in the nature of Issue 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 1,000 failing which the entire application monies may be refunded forthwith.

### **8.2.4 IN CASE OF ISSUES MADE UNDER COMPULSORY BOOK BUILDING**

In case an Issuer not eligible under Regulation 26(1) of the SEBI ICDR Regulations, 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 Applications (other than Anchor Investors):** Within six Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSSBs for unblocking the amount in ASBA Account on unsuccessful Application and also for any excess amount blocked on Application.
- b) **In case of Anchor Investors:** Within six Working Days of the 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:

- a) **NEFT** - Payment of refund may be undertaken through NEFT wherever the branch of the Anchor Investors' bank is NEFT enabled and has been assigned the Indian Financial System Code ("IFSC"), which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Anchor Investors have registered their nine digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Anchor Investors through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;
- b) **Direct Credit** - Anchor Investors having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;
- c) **RTGS** - Anchor Investors having a bank account 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 Applicants or instructions for unblocking of funds in the ASBA Account are not dispatched within the 6 working days of the Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 15 days from the Issue Closing Date, if Allotment is not made.

## SECTION 9: GLOSSARY AND ABBREVIATIONS

*Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.*

Term	Description
Allotment/Allot/Allotted	The allotment of Equity Shares pursuant to the Issue to successful Applicants
Allotment Advice	Note or advice or intimation of Allotment sent to the Applicants who have been Allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges
Allottee	An 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



Term	Description
	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
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 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 Applicant
Banker(s) to the Issue / Escrow Collection Bank(s) / Collecting Banker	The banks which are clearing members and registered with SEBI as Banker to the Issue 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 Applicants under the Issue
Bid	An indication to make an Issue during the Bid/ Issue Period by a prospective Bidder pursuant to submission of Bid cum Application Form or during the Anchor Investor Issue Period by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price 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 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/ Issue Closing Date	Except in the case of Anchor Investors (if applicable), the date after which the Designated Intermediaries may not accept any Bids for the Issue, which may be notified in an English national daily, a Hindi national daily and a regional language news paper at the place where the registered office of the Issuer is situated, each with wide circulation. Bidders may refer to the Prospectus for the Issue Closing Date
Bid/ Issue Opening Date	The date on which the Designated Intermediaries may start accepting Bids for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants may refer to the RHP/Prospectus for the Bid/ Issue Opening Date
Bid/ Issue Period	Except in the case of Anchor Investors(if applicable),the period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date inclusive of both days and during which prospective Applicants (other than Anchor Investors) can submit their Bids, inclusive of any revisions thereof. The Issuer may consider closing the Bid/ Issue Period for QIBs one working day prior to the Bid/ Issue Closing Date in accordance with the SEBI ICDRRegulations, 2009. Applicants/Bidders may refer to the RHP/Prospectus for the Bid/ Issue 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



Term	Description
	RHP/Prospectus and the Bid cum Application Form. In case of issues undertaken through the fixed price process, all references to a Applicant should be construed to mean an 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 Issue is being made
Broker Centres	Broker centres notified by the Stock Exchanges, where 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 Issue as disclosed in the RHP/Prospectus and the Bid cum Application Form of the Issuer. In case of issues undertaken through the fixed price process, all references to the Book Running Lead Manager should be construed to mean the Lead Manager or LM
Business Day	Monday to Saturday (except 2nd & 4th Saturday of a month and public holidays)
CAN / Confirmation of Allotment Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which may be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange
Cap Price	The higher end of the Price Band, above which the Issue Price and the Anchor Investor Issue Price may not be finalised and above which no Bids may be accepted
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Collecting Depository Participant or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Cut-off Price	Issue Price, finalised by the Issuer 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 Applicants including the Applicant's address, name of the Applicant's father/husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which may collect the Bid cum Application Forms used by Applicants (exc 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.  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

Term	Description
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 Issue
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the Bid cum Application Forms to RTAs.  The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Bid cum Application Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Stock Exchange	The designated stock exchange as disclosed in the RHP/Prospectus of the Issuer
Discount	Discount to the Issue Price that may be provided to Applicants in accordance with the SEBI ICDR Regulations, 2009.
Draft Prospectus	The Draft Prospectus filed with SEBI in case of Fixed Price Issues and which may mention a price or a Price Band
Employees	Employees of an Issuer as defined under SEBI ICDR Regulations, 2009 and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the 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 Registrar to the Issue, 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 Issue
FCNR Account	Foreign Currency Non-Resident Account
First Bidder/Applicant	The 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 Issue is being made
Floor Price	The lower end of the Price Band, at or above which the Issue Price and the Anchor Investor Issue 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

<b>Term</b>	<b>Description</b>
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	NRI from such jurisdictions outside India where it is not unlawful to make an Issue or invitation under the Issue and in relation to whom the RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
Net Issue	The Issue less reservation portion
Non-Institutional Investors or NIIs	All 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 Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the RHP/Prospectus and the Bid cum Application Form
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, 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 issue 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
Issue Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted to Bidders other than Anchor Investors, in terms of the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Issue Price. The Issue Price may be decided by the Issuer in consultation with the Book Running Lead Manager(s)
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Price Band	Price Band with a minimum price, being the Floor Price and the maximum price, being the Cap Price and includes revisions thereof. The Price Band and the minimum Bid lot size for the Issue may be decided by the Issuer in consultation with the Book Running Lead Manager(s) and advertised, at least five working days in case of an IPO and one working day in case of FPO, prior to the Bid/ Issue Opening Date, in English national daily, Hindi national daily and regional language at the place where the registered office of the Issuer is situated, newspaper each with wide circulation
Pricing Date	The date on which the Issuer in consultation with the Book Running Lead Manager(s), finalise the Issue 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 Issue Price, the size of the Issue and certain other information
Public Issue Account	An account opened with the Banker to the Issue to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date
QIB Category	The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis
Qualified Institutional Buyers	As defined under SEBI ICDR Regulations, 2009

Term	Description
or QIBs	
RTGS	Real Time Gross Settlement
Red Herring Prospectus / RHP	The red herring prospectus issued in accordance with Section 32 of the Companies Act, 2013, which does not have complete particulars of the price at which the Equity Shares are offered and the size of the Issue. The RHP may be filed with the RoC at least three working days before the Bid/ Issue Opening Date and may become a Prospectus upon filing with the RoC after the Pricing Date. In case of issues undertaken through the fixed price process, all references to the RHP should be construed to mean the Prospectus
Refund Account(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
Registered Broker	Stock Brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate
Registrar to the Issue /RTO	The Registrar to the Issue as disclosed in the RHP/Prospectus and Bid cum Application Form
Reserved Category / Categories	Categories of persons eligible for making application/Bidding under reservation portion
Reservation Portion	The portion of the Issue reserved for such category of eligible 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 Issue being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum Bid Lot, subject to availability in RII category and the remaining shares to be Allotted on proportionate basis.
Revision Form	The form used by the Bidders, 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 Issue are proposed to be listed
Syndicate	The Book Running Lead Manager(s) and the Syndicate Member
Syndicate Agreement	The agreement to be entered into among the Issuer, and the Syndicate in relation to collection of 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

Term	Description
	or after the Pricing Date
Working Day	All trading days of the Stock Exchange excluding Sundays and Bank holidays in Mumbai.

### **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 August 28, 2017 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 August 27, 2017. 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 sectorial 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 Issue. 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 and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the 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**

*Capitalised 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 October 23, 2017.*

### **SHARE CAPITAL AND VARIATION OF RIGHTS**

2. The Authorized Share Capital of the Company shall be such amount and be divided into such shares as may from time to time be provided in Clause V of the Memorandum of Association with power to increase or reduce the capital and divide the shares in the capital of the Company (including Preferential Share Capital, if any) and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions as may be determined in accordance with these presents and to modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be permitted by the said Act.
3. Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit. Further provided that the option or right to call of shares shall not be given to any person except with the sanction of the Company in general meeting.

### **ISSUE OF SWEAT EQUITY SHARES**

4. Subject to provisions of Section 54 of the Act read with Companies (Share Capital and Debentures) Rules, 2014, and any other applicable provisions of the Act or any law for the time being in force, the Company may issue Sweat Equity Shares on such terms and in such manner as the Board may determine.

### **ISSUE OF DEBENTURES**

5. The Company shall have powers to issue any debentures, debenture-stock or other securities at Par, discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending the General Meetings (but not voting on any business to be conducted), appointment of Directors on Board and otherwise Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.

### **ISSUE OF SHARE CERTIFICATES**

6. Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for registration of transfer or transmission or within such other period as the conditions of issue shall be provided,
  - a) one certificate for all his shares without payment of any charges; or
  - b) several certificates, each for one or more of his shares, upon payment of Rupees twenty for each certificate after the first
- i. The Company agrees to issue certificate within fifteen days of the date of lodgment of transfer, sub-division, consolidation, renewal, exchange or endorsement of calls/allotment monies or to issue within fifteen days of such lodgment for transfer, Pucca Transfer Receipts in denominations corresponding to the market units of trading autographically signed by a responsible official of the Company and bearing an endorsement that the transfer has been duly approved by the Directors or that no such approval is necessary;
- ii. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.

- iii. In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
7. If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of Rupees twenty for each certificate.
8. Except as required by law, no person shall be recognized by the Company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
9. The provisions of these Articles relating to issue of Certificates shall mutatis mutandis apply to any other securities including Debentures (except where the Act otherwise requires) of the Company.

#### **POWER TO PAY COMMISSION IN CONNECTION WITH THE SECURITIES ISSUED**

10. The Company may exercise the powers of paying commissions conferred by Sub-section (6) of Section 40 of the Act, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that Section and rules made thereunder.
  - i. The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under Sub-section (6) of Section 40 of the Act.
  - ii. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

#### **VARIATION OF SHAREHOLDERS RIGHTS**

11. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of Section 48 of the Act, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.
  - i. To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.
12. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari-passu* therewith.

#### **ISSUE OF PREFERENCE SHARES**

13. Subject to the provisions of Section 55 and 62 of the Act, any preference shares may with the sanction of ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the Company before the issue of the shares may, by special resolution determine.

#### **FURTHER ISSUE OF SHARES**

14. Where at any time Company having Share Capital proposes to increase its subscribed capital by the issue of further Shares, such shares shall be offered:
  - a. to persons who, at the date of the offer, are holders of equity shares of the Company in



proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the conditions specified in the relevant provisions of Section 42 and 62 of the Act.

- b. to employees under a scheme of employees' stock option, subject to special resolution passed by Company and subject to such other conditions as may be prescribed under the relevant provisions of Section 42 and 62 of the Act.
  - c. to any persons, if it is authorized by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed under the relevant provisions of Section 42 and 62 of the Act.
- i. The notice shall be dispatched through registered post or speed post or through electronic mode to all the existing shareholders at least three days before the opening of the issue.
  - ii. Nothing in this Article shall apply to the increase of the subscribed capital of Company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the Company to convert such debentures or loans into shares in the Company. Provided that the terms of issue of such debentures or loan containing such an option have been approved, before the issue of such debentures or the raising of loan, by a special resolution passed by the Company in general meeting.

#### LIEN

**15.** The Company shall have a first and paramount lien—

- a. on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and or

Every fully paid shares shall be free from all lien and that in the case of partly paid shares, the Company's lien shall be restricted to moneys called or payable at fixed time in respect of such shares; and

- b. on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the Company:

Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

- i. The Company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

**16.** The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:

Provided that no sale shall be made—

- a. unless a sum in respect of which the lien exists is presently payable; or
- b. until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

**17.** To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.

- ii. The purchaser shall be registered as the holder of the shares comprised in any such transfer.
- iii. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

18. The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
- i. The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.
19. Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint-tenants with benefits of survivorship subject to the following and other provisions contained in these Articles:-
- a) The Company shall at its discretion, be entitled to decline to register more than three persons as the joint-holders of any share.
- b) The joint-holders of any shares shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.
- c) On the death of any such joint-holders, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Directors may require such evidence of death as they may deem fit and 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.
- d) Any one of such joint-holders may give effectual receipts of any dividends or other moneys payable in respect of such share.
- e) Only the person whose name stands first in the Register of Members as one of the joint-holders of any share shall be entitled to delivery of the certificate, if any, relating to such share or to receive documents from the Company and any documents served on or sent to such person shall be deemed served on all the joint-holders.
- f)
- (i) Any one of the two or more joint-holders may vote at General Meeting either personally or by attorney or by proxy in respect of such shares as if they were solely entitled hereto and if more than one such joint-holders be present at any meeting personally or by proxy or by attorney then one of such joint holders so present whose name stand first in the Register in respect of such shares shall alone be entitled to vote in respect thereof but the other or others of the joint-holders shall be entitled to vote in preference to a joint-holder present by attorney or by proxy although the name of such joint-holder present by attorney or by proxy stands first in Register in respect of such shares.
- (ii) Several executors or administrators of a deceased member in whose (deceased member) sole name any share stands, shall for the purpose of this Clause be deemed as Joint-Holders.
- g) The provisions of these Articles relating to joint-holding of shares shall mutatis mutandis apply to any other securities including Debentures of the Company registered in Joint-names.

#### **CALL ON SHARES**

20. The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one fourth of the nominal value of the shares or be payable at less than one month from the date fixed for the payment of the last preceding call.

- (i) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.
- (ii) A call may be revoked or postponed at the discretion of the Board.

21. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments.
22. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
23. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.
  - (ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.
24. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
  - (i) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
25. The Board—
  - (i) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
  - (ii) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the Company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.
26. Any uncalled amount paid in advance shall not in any manner entitle the member so advancing the amount, to any dividend or participation in profit or voting right on such amount remaining to be called, until such amount has been duly called-up.

Provided however that any amount paid to the extent called – up, shall be entitled to proportionate dividend and voting right.
27. The Board may at its discretion, extend the time fixed for the payment of any call in respect of any one or more members as the Board may deem appropriate in any circumstances.
28. The provisions of these Articles relating to call on shares shall mutatis mutandis apply to any other securities including debentures of the Company.

#### **TRANSFER OF SHARES**

29. The shares or other interest of any member in the Company shall be a movable property, transferable in the manner provided by the Articles.
  - (i) Each share in the Company shall be distinguished by its appropriate number.
  - (ii) A Certificate under the Common Seal of the Company, specifying any shares held by any member shall be prima facie evidence of the title of the member of such shares.
30. The instrument of transfer of any share in the Company shall be executed by or on behalf of both the transferor and transferee.
  - (i) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
31. The Board may, subject to the right of appeal conferred by Section 58 of Companies Act, 2013 and

Section 22A of the Securities Contracts (Regulation) Act, 1956, decline to register, by giving notice of intimation of such refusal to the transferor and transferee within timelines as specified under the Act-

- (i) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or any transfer of shares on which the Company has a lien.
- (ii) Provided however that the Company will not decline to register or acknowledge any transfer of shares on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.
- (iii) The common form of transfer shall be used by the Company.

32. The Board shall decline to recognize any instrument of transfer unless—

- (i) the instrument of transfer is in the form as prescribed in rules made under Sub-section (1) of Section 56 of the Act;
- (ii) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and the instrument of transfer is in respect of only one class of shares. Provided that, transfer of shares in whatever lot shall not be refused.
- (iii) The Company agrees that when proper documents are lodged for transfer and there are no material defects in the documents except minor difference in signature of the transferor(s),
- (iv) Then the Company will promptly send to the first transferor an intimation of the aforesaid defect in the documents, and inform the transferor that objection, if any, of the transferor supported by valid proof, is not lodged with the Company within fifteen days of receipt of the Company's letter, then the securities will be transferred;
- (v) If the objection from the transferor with supporting documents is not received within the stipulated period, the Company shall transfer the securities provided the Company does not suspect fraud or forgery in the matter.

33. The Company agrees that in respect of transfer of shares where the Company has not effected transfer of shares within 1 month or where the Company has failed to communicate to the transferee any valid objection to the transfer within the stipulated time period of 1 month, the Company shall compensate the aggrieved party for the opportunity losses caused during the period of the delay.

34. On giving not less than seven days' previous notice in accordance with Section 91 of the Act and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine.

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

35. The provisions of these Articles relating to transfer of Shares shall mutatis mutandis apply to any other securities including debentures of the Company.

#### **REGISTER OF TRANSFERS**

36. The Company shall keep a book to be called the "Register of Transfers" and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any shares.

#### **DEMATERIALIZATION OF SHARES**

37. The provisions of this Article shall apply notwithstanding anything to the contrary contained in any other Article of these Articles.

a) The Company shall be entitled to dematerialise its securities and to offer securities in a

dematerialised form pursuant to the Depository Act, 1996.

b) Option for Investors:

Every holder of or subscriber to securities of the Company shall have the option to receive security certificates or to hold the securities with a Depository. Such a person who is the beneficial owner of the Securities can at any time opt out of a Depository, if permitted, by the 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 for the Securities

If a person opts to hold its Security with a Depository, the Company shall intimate such depository the details of allotment of the Security.

c) Securities in Depository to be in fungible form:-

- All Securities of the Company held by the Depository shall be dematerialised and be in fungible form.
- Nothing contained in Section 88, 89, 112 & 186 of the Companies Act, 2013 shall apply to a Depository in respect of the Securities of the Company held by it on behalf of the beneficial owners.

d) Rights of Depositories & Beneficial Owners:-

Notwithstanding anything to the contrary contained in the Act a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of Security of the Company on behalf of the beneficial owner.

e) Save as otherwise provided in (d) 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.

f) 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 the rights and benefits and be subject to all the liabilities in respect of his Securities which are held by a depository.

- (i) Notwithstanding anything contained in the Act to the contrary, where Securities of the Company are held in a depository, the records of the beneficial ownership may be served by such depository to the Company by means of electronic mode or by delivery of floppies or discs.
- (ii) Nothing contained in Section 56 of the Companies Act, 2013 shall apply to a transfer of Securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.
- (iii) Notwithstanding anything contained in the Act, where Securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.
- (iv) Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for Securities issued by the Company shall apply to Securities held with a Depository.
- (v) Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for Securities issued by the Company shall apply to Securities held with a Depository.
- (vi) The Company shall cause to be kept at its Registered Office or at such other place as may be decided, Register and Index of Members in accordance with Section 88 and other applicable provisions of the Companies Act, 2013 and the Depositories Act, 1996 with the details of Shares held in physical and dematerialised forms in any media as may be permitted by law including in

any form of electronic media.

- (vii) The Register and Index of beneficial owners maintained by a depository under Section 11 of the Depositories Act, 1996, shall be deemed to be the Register and Index of Members for the purpose of this Act. The Company shall have the power to keep in any state or country outside India, a Register of Members for the residents in that state or Country.

### **TRANSMISSION OF SHARES**

- 38.** On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the Company as having any title to his interest in the shares.

Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

- 39.** Any person becoming entitled to a share, in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—

- a. to be registered himself as holder of the share; or  
b. to make such transfer of the share as the deceased or insolvent member could have made.
- (ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

- 40.** If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.

- (i) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- (ii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

- 41.** A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

- 42.** The provisions of these Articles relating to transmission of shares shall mutatis mutandis apply to any other securities including debentures of the Company.

No fee shall be charged for requisition of transfer, transmission, probate, succession certificate and letter of admiration, Certificate of Death or marriage, power of attorney or similar other documents.

- 43.** If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

44. The notice aforesaid shall—
- (i) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
  - (ii) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
45. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
46. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
- (i) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
47. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares. The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.

#### **FORFEITURE OF SHARES**

48. A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;
- (i) The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute transfer of the shares in favour of the person to whom the share is sold or disposed off;
  - (ii) The transferee shall thereupon be registered as the holder of the share; and
  - (iii) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
49. The forfeiture of a share shall involve extinction at the time of 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.
50. Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the register of members in respect of the shares sold and after his name has been entered in the register of members in respect of such shares the validity of the sale shall not be impeached by any person.
51. Upon any sale, re-allotment or other disposal under the provisions of the preceding articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the Company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto.
52. The Board may, subject to the provision of the Act, accept a surrender of any share from or by any member desirous of surrendering them on such terms as they think fit.
53. The Provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.



54. The provisions of these articles relating to forfeiture of shares shall mutatis mutandis apply to any other securities including debentures of the Company.

#### **INITIAL PAYMENT NOT TO PRECLUDE FORFEITURE**

55. Neither a judgment in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction there under 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 shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from proceeding to enforce forfeiture of such shares as hereinafter provided.

#### **ALTERATION OF CAPITAL**

56. The Company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.
57. Subject to the provisions of Section 61 of the Act, the Company may, by ordinary resolution,—
- (i) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
  - (ii) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
  - (iii) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
  - (iv) 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.

#### **CONVERSION OF SHARES INTO STOCK**

58. Where shares are converted into stock,—

- (i) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

- (ii) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

#### **REDUCTION OF CAPITAL**

59. The Company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—
- (i) its share capital;
  - (ii) any capital redemption reserve account; or
  - (iii) any securities premium account.

#### **SHARE WARRANTS**

60. The Company may issue share warrants subject to, and in accordance with, the provisions of the Act, and accordingly the Board may in its discretion, with respect to any share which is fully paid-up, on application in writing signed by the person registered as holder of the share, and authenticated by such evidence (if any) of the share and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require, issue of a share warrant.

The bearer of a share warrant may at any time, deposit the warrant in the office of the Company and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending and voting and exercising the other privileges of a member at any meeting held after the expiry of two days from the time of deposit, as if his name were inserted in the register of members as the holder of the shares including in the deposited warrants.

Not more than one person shall be recognized as depositor of the share warrant.

The Company shall, on two days written notice, return the deposited share warrants to the depositor.

Subject herein otherwise expressly provided, no person shall, as bearer of a share warrant, sign a requisition for calling a member of the Company or attend or vote or exercise any other privilege of a member at a meeting of the Company, or be entitled to receive any notice from the Company.

The bearer of share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the register of members as the holders of shares included in the warrant, and he shall be a member of the Company.

The Board may from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant of coupon may be issued by way of renewal in case of defacement, loss or destruction.

### **CAPITALISATION OF PROFITS**

**61.** The Company in general meeting may, upon the recommendation of the Board, resolve—

- a. that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
  - b. that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- ii. The sum aforesaid shall not be paid in cash but shall be applied, subject to the applicable provision, either in or towards—
- a. paying up any amounts for the time being unpaid on any shares held by such members respectively;
  - b. paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up bonus shares, to and amongst such members in the proportions aforesaid;
  - c. partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b);
  - d. A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;

The Board shall give effect to the resolution passed by the Company in pursuance of this –regulation.

**62.** 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 to do all acts and things required to give effect thereto.

ii. The Board shall have power—

- a. to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
- b. to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the Company on their behalf, by the application

thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

- iii. Any agreement made under such authority shall be effective and binding on such members.
- iv. Capital paid-up in advance of calls shall not confer a right to dividend or to participate in profits and shall not carry any rate of interest.

#### **BUY-BACK OF SHARES**

63. Notwithstanding anything contained in these articles but subject to the provisions of Section 68 to 70 of the Act and any other applicable provision of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.

#### **GENERAL MEETINGS**

64. All General Meetings other than annual general meeting shall be called extra-ordinary general meetings.
65. The Board may, whenever it thinks fit, call an extraordinary general meeting.
- i. The General meeting including Annual general meeting shall be convened by giving notice of clear 21 days in advance as per Section 101 of Companies Act 2013. The directors if they think fit may convene a General Meeting including Annual General Meeting of the Company by giving a shorter notice thereof if consent is given in writing or by electronic mode by not less than ninety-five percent of the members entitled to vote at such meeting.
  - ii. If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the Company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

#### **PROXY**

93. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
94. An instrument appointing a proxy shall be in the form as prescribed in the rules made under Section 105 of the Act.
95. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

#### **THE SEAL**

144. The Board shall provide for the safe custody of the seal. The seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least one (1) director and of the secretary or such other person as the Board may appoint for the purpose; and that the director and the secretary or such other person aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence.

## ACCOUNTS

**158.** The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of members not being directors. No member (not being a director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Board or by the Company in general meeting.

## REGISTER OF CHARGES

**160.** The Company shall keep at its registered office a Register of charges and enter therein all charges and floating charges specifically affecting any property or assets of the Company or any of its undertakings giving in each case the details as prescribed under the provisions of the Act.

- i. The register of charges and instrument of charges, as per clause (i) above, shall be open for inspection during business hours—
  - a. by any member or creditor without any payment of fees; or
  - b. by any other person on payment of such fees as may be prescribed,

Provided however, that any person willing to inspect the register of charges shall intimate to the Company at least 15 days in advance, expressing his willingness to inspect the register of charges, on the desired date.

## AUDIT

**161.** The first Auditor of the Company shall be appointed by the Board of Directors within 30 days from the date of registration of the Company and the Auditors so appointed shall hold office until the conclusion of the first Annual General Meeting.

- a) Appointment of Auditors shall be governed by provisions of Companies Act 2013 and rules made there under.
- b) The remuneration of the Auditor shall be fixed by the Company in the Annual General Meeting or in such manner as the Company in the Annual General Meeting may determine. In case of an Auditor appointed by the Board his remuneration shall be fixed by the Board.
- c) The Board of Director may fill any casual vacancy in the office of the auditor and where any such vacancy continues, the remaining auditor, if any may act, but where such vacancy is caused by the resignation of the auditors and vacancy shall be filled up by the Company in General Meeting.

## WINDING UP

**162.** Subject to the provisions of Chapter XX of the Act and rules made there under—

- i. If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.
- ii. For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
- iii. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or others securities whereon there is any liability.

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### INDEMNITY

**163.** Every officer of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal Subject to the provisions of Chapter XX of the Act and rules made there under.

### SECURITY

**164.** Every Director, Manager, Secretary, Trustee, Member or Debenture holder, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in or about the business of the Company shall, if so required by the Board before entering upon their duties sign a declaration pledging themselves to observe a strict secrecy respecting all transactions of the Company with its customers and the state of accounts with individuals and in matters which may come to their knowledge in the discharge of their duties except when required to do so by the Board or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents.

- b) No member shall be entitled to visit or inspect any works of the Company, without the permission of the Directors or to require discovery of or any information respecting any details of the Company's trading or business or any matter which is or may be in the nature of a trade secret, mystery of trade, secret or patented process or any other matter, which may relate to the conduct of the business of the Company and which in the opinion of the directors, it would be inexpedient in the interests of the Company to disclose.

The Company shall not give any option or right to call of shares to any person except with the sanction of the Issuer / Company in general meetings.

**165.** The Company may issue share certificates in lieu of Sub-Division/Consolidation/split/ of Share Certificate.

## 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 our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Prospectus) which are or may be deemed material have been attached to the copy of this Draft 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 Issue Opening Date until the Issue Closing Date.

#### A. Material Contracts

- 1) Memorandum of Understanding dated November 24, 2017 between our Company and the Lead Manager.
- 2) Memorandum of Understanding dated November 03, 2017 between our Company and the Registrar to the Issue.
- 3) Market Making Agreement dated November 25, 2017 between our Company, the Lead Manager and the Market Maker.
- 4) Underwriting Agreement dated November 25, 2017 between our Company, the Lead Manager and the Market Maker.
- 5) Escrow Agreement dated [•] between our Company, the Lead Manager, Escrow Collection Bank(s), Refund bank and the Registrar to the Issue.
- 6) Tripartite agreement dated November 15, 2017 between our Company, the Registrar to the Issue and the CDSL.
- 7) Tripartite agreement dated December 11, 2017 between our Company, the Registrar to the Issue and NSDL.

#### 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 Certificate of Incorporation dated July 29, 2009 in the name of “*Tanya Estate Private Limited*”.
- 3) Copy of Fresh Certificate of Incorporation dated September 13, 2017 for change of name of our Company from “*Tanya Estate Private Limited*” to “*Ashoka Metcast Private Limited*”.
- 4) Copy of Fresh Certificate of Incorporation dated November 09, 2017 issued by the RoC at the time of conversion of our Company from private limited company to public limited company.
- 5) Resolution of the Board of Directors meeting dated November 11, 2017, authorizing the Issue.
- 6) Shareholders’ resolution passed at the Extra- Ordinary General Meeting of our Company on November 15, 2017 authorizing the Issue.
- 7) Peer Review Auditor’s report(s) for Restated Financials dated December 12, 2017 included in this Draft Prospectus.
- 8) The Statement of Tax Benefits dated November 28, 2017 from our Statutory Auditors.
- 9) Consent of our Directors, Chief Financial Officer, Company Secretary and Compliance Officer, Statutory Auditor, Peer Review Auditor, Lead Manager, Legal Advisor to the Issue, Registrar to the Issue, Banker to the Issue, Bankers to the Company, Market Maker and Underwriters as referred to in their specific capacities.

- 10) Due Diligence Certificate(s) dated [•] of the Lead Manager to be submitted to SEBI along with the filing of this Prospectus.
- 11) Approval from BSE vide letter dated [•] to use the name of BSE in this Issue Document for listing of Equity Shares on the SME Platform of the BSE.

Any of the contracts or documents mentioned in this Draft 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.



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## DECLARATION

We, hereby declare that, all the relevant provisions of the Companies Act, 2013 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 this Draft Prospectus is contrary to the provisions of the Companies Act, 2013, 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 this Draft Prospectus are true and correct.

### SIGNED BY THE DIRECTORS OF OUR COMPANY

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**Mr. Shalin Shah**  
*(Managing Director)*

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**Mr. Ashok Shah**  
*(Non-Executive Non-Independent Director)*

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**Ms. Chitra Thaker**  
*(Non-Executive Independent Director)*

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**Ms. Payal Pandya**  
*(Non-Executive Independent Director)*

### SIGNED BY THE CHIEF FINANCIAL OFFICER

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**Ms. Pooja Shah**  
*(Chief Financial Officer)*

### SIGNED BY THE COMPANY SECRETARY & COMPLIANCE OFFICER

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**Ms. Bhumika Rajani**  
*(Company Secretary & Compliance Officer)*

Date:  
Place: