



## BANKA BIOLOO LIMITED

**CIN: U90001AP2012PLC082811**

Our Company was incorporated as Banka BioLoo Private Limited on August 31, 2012 under the Companies Act, 1956 with the Registrar of Companies, Hyderabad bearing Registration No. 082811. The status of our Company was changed to a public limited company and the name of our Company was changed to Banka BioLoo Limited by a special resolution passed on November 13, 2017. A fresh Certificate of Incorporation consequent upon conversion was issued on November 15, 2017 by the Registrar of Companies, Hyderabad. The Company's Corporate Identity Number is U90001AP2012PLC082811. For further details, please refer to the chapter titled "History and Certain Corporate Matters" beginning on page no. 110 of this Draft Prospectus.

**Registered Office:** Plot no 11-4-651, A – 109, Express Apartment, Lakdi ka Pool, Hyderabad – 500 004

**Tel No.:** +91 – 40 – 2980 1495; **Fax No.:** + 91 – 40 – 6668 8028; **Email:** investor.relations@bankabio.com; **Website:** www.bankabio.com

**Contact Person:** Mr. Y. Sri Bala Aditya, Company Secretary and Compliance Officer.

**Our Promoter:** Mrs. Namita Banka

THE ISSUE	
PUBLIC ISSUE OF UP TO 11,00,000 EQUITY SHARES OF ₹ 10 EACH ("EQUITY SHARES") OF BANKA BIOLOO LIMITED ("BBL" OR THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER SHARE (THE "ISSUE PRICE"), AGGREGATING TO ₹ [●] LAKHS ("THE ISSUE"), OF WHICH UP TO 58,000 EQUITY SHARES OF ₹ 10 EACH WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF UP TO 10,42,000 EQUITY SHARES OF ₹ 10 EACH IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.74% AND 25.33%, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF THE COMPANY.	
THE FACE VALUE OF THE EQUITY SHARE IS ₹ 10 AND THE ISSUE PRICE IS [●] 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. <i>For further details see "Issue Related Information" beginning on page no. 190 of this Draft Prospectus.</i>	
In terms of the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015, all potential investors shall participate in the Issue only through an Application Supported by Blocked Amount ("ASBA") process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For details in this regard, specific attention is invited to "Issue Procedure" on page no. 197 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 [●] times the face value. The Issue Price (determined and justified by our Company with the Lead Manager as stated under "Basis for Issue Price" beginning on page no. 66 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 "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 issued through this Prospectus are proposed to be listed on Emerge Platform of National Stock Exchange of India Limited 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 National Stock Exchange of India Limited for using its name in this offer document for listing our shares on the SME Platform of National Stock Exchange of India Limited. For the purpose of this Issue, the designated Stock Exchange will be the National Stock Exchange of India Limited ("NSE").	
LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
<p><b>ARYAMAN FINANCIAL SERVICES LIMITED</b>                      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;                      Website: www.afsl.co.in                      Investor Grievance Email: feedback@afsl.co.in                      Contact Person: Mr. Vimal Maniyar                      SEBI Registration No. INM000011344</p>	<p><b>BIGSHARE SERVICES PRIVATE LIMITED</b>                      1<sup>st</sup> Floor, Bharat Tin Works Building,                      Opp. Vasant Oasis, Makwana Road,                      Marol, Andheri East, Mumbai – 400 059                      Tel: +91 – 22 – 6263 8200;                      Fax: +91 – 22 – 6263 8299;                      Email: ipo@bigshareonline.com;                      Website: www.bigshareonline.com                      Investor Grievance Email: investor@bigshareonline.com;                      Contact Person: Mr. Ashok Shetty                      SEBI Registration No.: INR000001385</p>
ISSUE OPENS ON	ISSUE CLOSES ON
[●]	[●]

## TABLE OF CONTENTS

<b>SECTION I – GENERAL</b>	<b>1</b>
DEFINITIONS AND ABBREVIATIONS	1
CERTAIN CONVENTIONS; PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA	8
FORWARD-LOOKING STATEMENTS	9
<b>SECTION II: RISK FACTORS</b>	<b>11</b>
<b>SECTION III – INTRODUCTION</b>	<b>28</b>
SUMMARY OF OUR INDUSTRY	28
SUMMARY OF OUR BUSINESS	33
SUMMARY OF FINANCIAL INFORMATION	38
THE ISSUE	41
GENERAL INFORMATION	42
CAPITAL STRUCTURE	49
<b>SECTION IV – PARTICULARS OF THE ISSUE</b>	<b>59</b>
OBJECTS OF THE ISSUE	59
BASIC TERMS OF THE ISSUE	65
BASIS FOR ISSUE PRICE	66
STATEMENT OF SPECIAL TAX BENEFITS	68
<b>SECTION V – ABOUT THE ISSUER COMPANY</b>	<b>70</b>
INDUSTRY OVERVIEW	70
OUR BUSINESS	83
KEY INDUSTRY REGULATIONS AND POLICIES	102
HISTORY AND CERTAIN CORPORATE MATTERS	110
OUR MANAGEMENT	114
OUR PROMOTER, PROMOTER GROUP	127
OUR GROUP COMPANY	130
CURRENCY, UNITS OF PRESENTATION AND EXCHANGE RATES	131
DIVIDEND POLICY	132
<b>SECTION VI – FINANCIAL INFORMATION</b>	<b>133</b>
FINANCIAL STATEMENTS	133
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS	157
FINANCIAL INDEBTEDNESS	167
<b>SECTION VII – LEGAL AND OTHER INFORMATION</b>	<b>169</b>
OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS	169
GOVERNMENT AND OTHER KEY APPROVALS	175
<b>SECTION VIII- OTHER REGULATORY AND STATUTORY DISCLOSURES</b>	<b>178</b>
<b>SECTION IX – ISSUE RELATED INFORMATION</b>	<b>190</b>
TERMS OF THE ISSUE	190
ISSUE STRUCTURE	195
ISSUE PROCEDURE	197
RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES	243
<b>SECTION X – MAIN PROVISIONS OF ARTICLES OF ASSOCIATION</b>	<b>244</b>
<b>SECTION XI – OTHER INFORMATION</b>	<b>258</b>
MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION	258
DECLARATION	259

## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

#### General Terms

Term	Description
Banka BioLoo Limited / BBL / The Company / Company / We / Us / Our Company	Unless the context otherwise indicates or implies refers to Banka BioLoo Limited, a public limited company incorporated under the provisions of the Companies Act, 1956 with its registered office in the Hyderabad.
Promoter(s) / Core Promoter	<ul style="list-style-type: none"> <li>Mrs. Namita Banka</li> </ul>
Promoter Group	Such persons, entities and companies constituting our promoter group pursuant to Regulation 2(1)(zb) of the SEBI (ICDR) Regulations as disclosed in the Chapter titled “Our Promoter and Promoter Group” on page no. 127 of this Draft Prospectus

#### Company related Terms

Term	Description
Articles / Articles of Association	Unless the context otherwise requires, refers to the Articles of Association of Banka BioLoo Limited.
Auditor of the Company (Statutory Auditor)	M/s. PRSV & Co. LLP, Chartered Accountants, having their office Flat No. 202, Saptagiri Residency, 1-10-98/A, Chikoti Garden, Begumpet, Hyderabad, Telangana 500 016.
Audit Committee	The committee of the Board of Directors constituted on November 16, 2017 as our Company’s Audit Committee in accordance with Section 177 of the Companies Act, 2013
Board of Directors / Board	The Board of Directors of Banka BioLoo Limited, including all duly constituted Committees thereof.
Company Secretary and Compliance Officer	Mr. Y. Sri Bala Aditya
Director(s)	Director(s) of Banka BioLoo Limited, unless otherwise specified.
Equity Shares	Equity Shares of our Company of Face Value of ₹ 10 each unless otherwise specified in the context thereof.
Equity Shareholders	Persons holding Equity Share of our Company
Key Management Personnel / KMP	Individuals described in the chapter titled “Our Management” on page no. 114 of this Draft Prospectus
MOA / Memorandum of Association	Memorandum of Association of Banka BioLoo Limited.
Nomination and Remuneration Committee	The committee of the Board of Directors constituted on November 16, 2017 as our Company’s Nomination and Remuneration Committee in accordance with Section 178 of the Companies Act, 2013
Registered Office	The Registered Office of our company which is located at: Plot no 11-4-651, A – 109, Express Apartment, Lakdi ka Pool, Hyderabad – 500 004.
Registrar of Companies / RoC	Registrar of Companies, Hyderabad situated at 2 <sup>nd</sup> Floor, Corporate Bhawan, GSI Post, Tattiannaram Nagole, Bandlaguda, Hyderabad - 500 068.
Stakeholders’ Relationship Committee	The committee of the Board of Directors constituted on November 16, 2017 as our Company’s Stakeholders’ Relationship Committee.
Stock Exchange	Unless the context requires otherwise, refers to, the SME Platform of National Stock Exchange of India Limited i.e. NSE EMERGE.

#### Issue Related Term

Term	Description
Abridged Prospectus	Abridged Prospectus to be issued under Regulation 58 of SEBI ICDR Regulations and appended to the Application Form
Allotment	Unless the context otherwise requires, the allotment of the Equity Shares pursuant to the Issue to the successful applicants, including transfer of the Equity Shares pursuant to the

Term	Description
	Issue to the successful applicants
Allottees	The successful applicant to whom the Equity Shares are being / have been allotted.
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
Applicant	Any prospective investor who makes an application for Equity Shares in terms of this Draft Prospectus
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of the Company
Application Supported by Blocked Amount/ ASBA	An application, whether physical or electronic, used by ASBA Applicant to make an Application authorizing an SCSB to block the Application Amount in the specified Bank Account maintained with such SCSB. ASBA is mandatory for all Applicants participating in the Issue.
ASBA Account	A bank account maintained with an SCSB and specified in the ASBA Form submitted by the Applicants for blocking the Application Amount mentioned in the ASBA Form.
ASBA Applicant(s)	Any prospective investor who makes an Application pursuant to the terms of the Draft Prospectus and the Application Form.
ASBA Application / Application	An indication to make an offer during the Issue Period by an Applicant pursuant to submission of the Application Form, to subscribe to the Equity Shares at a price as mentioned in the Prospectus, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations in terms of the Prospectus and Application Form
Banker(s) to the Company	Such banks which are disclosed as Bankers to our Company in the chapter titled “General Information” on page no. 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 into 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. 197 of this Draft Prospectus.
Business Day	Monday to Friday (except public holidays)
CAN / Confirmation of Allocation Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange.
Collecting Depository Participant(s) or CDP(s)	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular No. GR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Controlling Branches	Such Branches of the SCSBs which co-ordinate Applications by the Applicants with the Registrar to the 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	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996 i.e. CDSL and NSDL
Depositories Act	The Depositories Act, 1996, as amended from time to time
Designated 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.
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 SCSB Branches	Such Branches of the SCSBs which shall collect the Application Forms used by the Applicants applying through the ASBA process and a list of which is available on <a href="http://www.sebi.gov.in/pmd/scsb.pdf">http://www.sebi.gov.in/pmd/scsb.pdf</a>
Designated 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 Locations	Such locations of the CDPs where Applicants can submit the Application Forms to Collecting Depository Participants.

Term	Description
	The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange
Designated 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 websites of the Stock Exchange
Designated Exchange	Stock SME Platform of National Stock Exchange of India Limited i.e. NSE EMERGE
Draft Prospectus	This Draft Prospectus dated November 20, 2017 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 Application Form and the Draft Prospectus constitutes an invitation to purchase the equity shares.
Escrow Agreement	Agreement dated [●] entered into amongst the Company, Lead Manager, the Registrar to the Issue and the Banker to the Issue to receive monies from the Applicants through the SCBs Bank Account on the Designated Date in the Public Issue Account.
Foreign Investor / FPIs	Portfolio Foreign Portfolio Investor as defined under the SEBI (Foreign Portfolio Investors) Regulations, 2014.
Issue Proceeds	The proceeds of the Issue as stipulated by the Company. For further information about use of the Issue Proceeds please see the chapter titled “Objects of the Issue” beginning on page no. 59 of this Draft Prospectus
Issue/ Public Issue/ IPO	Issue Size / This Initial Public Issue of up to 11,00,000 Equity Shares of ₹ 10 each for cash at a price of ₹ [●] per equity share aggregating to ₹ [●] lakhs by our 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 in consultation with the Lead Manager under this Draft Prospectus being ₹ [●] 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 National Stock Exchange of India Limited i.e. NSE EMERGE ”.
Market Reservation Portion	Maker The Reserved portion of up to 58,000 Equity shares of ₹ 10 each at an Issue Price of ₹ [●] aggregating to ₹ [●] lakhs for Designated Market Maker in the Public Issue of our Company.
Market Making Agreement	Making The Agreement among the Market Maker, the Lead Manager and our Company dated November 17, 2017
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 Issue of up to 10,42,000 Equity Shares of ₹ 10 each at ₹ [●] per Equity Share aggregating to ₹ [●] 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
NSE Emerge Platform	SME Platform of NSE, approved by SEBI as an SME Exchange for listing of equity shares Offered under Chapter XB of the SEBI ICDR Regulations.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership, limited liability Company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Prospectus	The Prospectus, to be filed with the RoC containing, inter alia, the Issue opening and closing dates and other information.

Term	Description
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, state industrial development corporations, insurance companies registered with the IRDA, provident funds and pension funds with a minimum corpus of ₹ 250 million, insurance funds set up and managed by the army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, Government of India, eligible for Bidding and does not include FVCIs and multilateral and bilateral institutions.
Registrar and Share Transfer Agents/RTAs	Registrar and Share Transfer Agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registrar/ Registrar to the Issue	Registrar to the Issue being Bigshare Services Private Limited
Retail Individual Investors	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than ₹ 2,00,000
Self-Certified Syndicate Bank(s) / SCSBs	A Bank registered with SEBI under the SEBI (Bankers to an 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>
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 16, 2017.
U.S. Securities Act	U.S. Securities Act of 1933, as amended
Working Day	All trading days of the Stock Exchange excluding Sundays and Bank holidays in Mumbai.

#### Technical / Industry related Terms

Term	Description
BoP	Bottom of Pyramid
CDTS	Controlled Discharge Toilet System
CFO	Chief Financial Officer
CNC	Computer numerically controlled
CO <sub>2</sub>	Carbon dioxide
COWE	Confederation of Women Entrepreneurs
CSR	Corporate Social Responsibility
DIY	Do It Yourself
DRDA	District Rural Development Agencies
DRDO	Defense Research and Development Organisation
EDP	Entrepreneurs Development Program
FDI	Foreign Direct Investment
FICCI	Federation of Indian Chambers of Commerce and Industry
FRP	Fibre Reinforced Plastic
GDP	Gross Domestic Product
GST	Goods and Services Tax
HP	High Pressure
IBT	Incline Block Tariff
IMC	Integrated Marketing Communications
Inoculum	Bacterial culture



Term	Description
ISO	International Organization for Standardization
L&T	Larsen and Toubro Ltd
MBA	Master of Business Administration
MDG	Millennium Development Goal
MFIs	Microfinance Institutions
MIG	metal inert gas
MLALADS	MLA Local Area Development Scheme
NGOs	Non Governmental Organizations
NSIC	The National Small Industries Corporation
NTPC	National Thermal Power Corporation
ODF	Open-Defecation Free
O&M	Operations and Maintenance
PSI	Pound per Square Inch
PSUs	Public Sector Undertakings
QMS	Quality Management System
R&D	Research and Development
SBA	Swachh Bharat Abhiyan
SBM	Swachh Bharat Mission
SDG	Sustainable Development Goals
SDG6	Safely-Managed Sanitation
SHGs	Self-Help Groups
S S'tables	Stainless Steel Tables
STFI	Storm, Tempest, Flood, Inundation
STPs	Sewage Treatment Plants
TIG	tungsten inert gas
TSP	Turnkey Solution Provider
WaSH	Water, Sanitation and Hygiene
WHO	World Health Organisation
WoM	Word-of-Mouth
WSP	Water & Sanitation Program

#### Conventional Terms / General Terms / Abbreviations

Term	Description
A/c	Account
AGM	Annual General Meeting
AIF	Alternative Investment Fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
AS / Accounting Standards	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Applications Supported by Blocked Amount
AY	Assessment Year
BSE	BSE Limited
CAGR	Compound Annual Growth Rate
Category II foreign portfolio investor(s) / Category II FPIs	FPIs who are registered as "Category II foreign portfolio investors" under the SEBI FPI Regulations
Category III foreign portfolio investor(s) / Category III FPIs	FPIs who are registered as "Category III foreign portfolio investors" under the SEBI FPI Regulations
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer

Term	Description
CIN	Company Identification Number
CIT	Commissioner of Income Tax
Client ID	Client identification number of the Applicant's beneficiary account
Companies Act	Unless specified otherwise, this would imply to the provisions of the Companies Act, 2013 (to the extent notified) and /or Provisions of Companies Act, 1956 w.r.t. the sections which have not yet been replaced by the Companies Act, 2013 through any official notification.
Companies Act, 1956	The Companies Act, 1956, as amended from time to time
Companies Act, 2013	The Companies Act, 2013 published on August 29, 2013 and applicable to the extent notified by MCA till date.
CSR	Corporate Social Responsibility
CST	Central Sales Tax
DIN	Director Identification Number
DP	Depository Participant, as defined under the Depositories Act
DP ID	Depository Participant's identification
ECS	Electronic Clearing System
EOGM	Extraordinary General Meeting
EMDEs	Emerging Markets 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
FIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FPIs	Foreign Portfolio Investors as defined under the SEBI FPI Regulations
FIPB	Foreign Investment Promotion Board
FY / Fiscal / Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
GDP	Gross Domestic Product
GoI/Government	Government of India
GST	Goods & Services Tax
HNIs	High Networth Individuals
HUF	Hindu Undivided Family
IAS Rules	Indian Accounting Standards, Rules 2015
IFRS	International Financial Reporting Standards
Indian GAAP	Generally Accepted Accounting Principles in India
Ind AS	Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013, as notified under the Companies (Indian Accounting Standard) Rules, 2015
I.T. Act	Income Tax Act, 1961, as amended from time to time
ICSI	Institute of Company Secretaries of India
IPO	Initial Public Offering
ISIN	International Securities Identification Number
KM / Km / km	Kilo Meter
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MoF	Ministry of Finance, Government of India
MICR	Magnetic Ink Character Recognition
MOU	Memorandum of Understanding
NA / N. A.	Not Applicable
NAV	Net Asset Value
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
NOC	No Objection Certificate
NRE Account	Non Resident External Account



Term	Description
NRI	A person resident outside India, who is a citizen of India or a person of Indian origin, and shall have the meaning ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB / Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60.00% by NRIs including overseas trusts, in which not less than 60.00% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
p.a.	per annum
P/E Ratio	Price/Earnings Ratio
PAC	Persons Acting in Concert
PAN	Permanent Account Number
PAT	Profit After Tax
PLR	Prime Lending Rate
RBI	Reserve Bank of India
RoC	Registrar of Companies
ROE	Return on Equity
RONW	Return on Net Worth
Rupees / Rs. / ₹	Rupees, the official currency of the Republic of India
RTGS	Real Time Gross Settlement
SCRA	Securities Contract (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
SEBI LODR Regulations, 2015 / SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 notified on September 2, 2015
SEBI SAST Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
Sec.	Section
Securities Act	U.S. Securities Act of 1933, as amended
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
STT	Securities Transaction Tax
TIN	Taxpayers Identification Number
TDS	Tax Deducted at Source
US/United States	United States of America
USD/ US\$/ \$	United States Dollar, the official currency of the United States of America
VAT	Value Added Tax
VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.

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

### Certain Conventions

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

### Financial Data

Unless stated otherwise, the financial data in this Draft Prospectus are derived from our audited financial statements as on and for the Fiscal Year ended March 31, 2017, 2016, 2015, 2014 and 2013 and for three months period ended June 30, 2017 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 discrepancy 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, 114 and 157 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 the Chapter titled “*Definitions and Abbreviations*” on page no. 1 of this Draft Prospectus. In the Section titled “*Main Provisions of Articles of Association*” beginning on page no. 244 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 have 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 are 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 Sanitation Industry 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 Sanitation Infrastructure 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;
- 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; and
- Failure to successfully upgrade our products and service portfolio, from time to time;

For further discussions of factors that could cause our actual results to differ, please see 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, 83 and 157 of this Draft Prospectus, respectively.

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, our Directors, the Lead Manager, and their respective affiliates or associates do not have any obligation to, and do not intend to, update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying

events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI requirements, our Company 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. 83 and 157 of this Draft Prospectus respectively as well as other financial and statistical information contained in this Draft Prospectus. Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other risks mentioned herein.*

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

### Materiality

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

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

### INTERNAL RISK FACTORS

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

Our Company, Promoter and Directors are parties to certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts, tribunals and forums. Mentioned below are the details of the proceedings involving our Company, Promoter and Directors as on the date of this Draft Prospectus along with the amount involved, to the extent quantifiable, based on the materiality policy for litigations, as approved by the Company in its Board meeting held on November 16, 2017.

Sr. No.	Nature of Case	No. of Outstanding cases	Amount in dispute/demanded to the extent quantifiable (₹ in lakhs)
<b>I.</b>	<b>Litigations filed by our Company</b>		
(a)	Criminal	1	Unascertainable
(b)	Arbitration	1	Unascertainable
<b>II.</b>	<b>Litigations filed by our Directors</b>		
(a)	Criminal	1	Unascertainable
(b)	Civil	1	Unascertainable
<b>III.</b>	<b>Litigations filed by our Promoter</b>		
(a)	Criminal	1	Unascertainable

*The above litigations 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 our favour or in favour of our Promoter and Directors, respectively, and consequently it may divert the attention of our management and Promoters and waste our corporate resources and we may incur significant expenses in such proceedings and may have to make provisions in our financial statements, which could increase our expenses and liabilities. If such claims are determined against us, there could be a material adverse effect on our reputation, business, financial condition and results of operations, which could adversely affect the trading price of our Equity Shares. For the details of the cases filed by and against our Company, Promoter and Directors please refer the chapter titled “*Outstanding Litigations and Material Developments*” on page no. 169 of this Draft Prospectus.

**2. *Our solutions are licence based; any failure on our part to successfully retain the licence would have a material adverse effect on our operation and profitability.***

Our sanitation solutions are based on the patented “bio-digester” technology developed by DRDO (Defense Research and Development Organisation). We are a licensee (through transfer of technology) and have partnered DRDO for technology commercialization for large-scale deployment of sanitation systems.

A licensing agreement has been entered with DRDO on January 12, 2012 in the name of Banka Enterprises. Though the licence is perpetual in nature, any failure on our part to retain the licence could materially affect our business. Further any subsequent introduction of royalty on the licence by DRDO will increase our cost and adversely affect our profitability as currently there is no royalty levied by DRDO on the licence.

**3. *Substantial portion of our revenues has been dependent upon our few clients. The loss of any one or more of our major clients would have a material effect on our business operations and profitability.***

Our customers include Indian Railways, large corporate houses, trust & also individuals. For the financial year ended March 31, 2017, our top ten clients accounted for approximately 99.14% of our revenue from operations. The loss of any significant client would have a material effect on our financial results. We cannot assure you that we can maintain the historical levels of business from these clients/distributors or that we will be able to replace these clients/distributors in case we lose any of them. Furthermore, major events affecting our clients, such as changes in government policies (in case of railways) and bankruptcy, change of management, mergers and acquisitions in other cases could impact our business. If any of our major clients becomes bankrupt or insolvent, we may lose some or all of our business from that client and our receivable from that client would increase and may have to be written off, impacting our income and financial condition.

**4. *We do not have any agreement with the third party service providers to whom we outsource manufacturing of bio digester tanks , also we are dependent on outside vendors for sanitary wares; consequently we are exposed to price and supply fluctuations for the same.***

Our Company relies on third parties for sanitary wares, also we have outsourced manufacturing of bio digester tanks to third party considering the additional business requirement. We outsource work to them on invoice basis and have no agreements with them. Further, we cannot assure you that our third party service providers will continue to be associated with us on reasonable terms, or at all. Since such third party service providers are not contractually bound to deal with us exclusively, we may face the risk of our competitors offering better terms to such third party service providers, which may cause them to cater to our competitors alongside, or even instead of us. Also, in the absence of any contract, they may discontinue their service on a short notice and our production process may be stalled or hindered due to this. We may have to rely on in-experienced or costlier or unprofessional processing units which may compromise the quality of our finished products.

Consequently, we may be exposed to price and supply fluctuations in these areas which may have a material effect on our business, results of operations and financials.


**5. *Our cost of production is exposed to fluctuations in the prices of raw materials required for the manufacture of our products as well as its availability.***

Our company is exposed to fluctuations in the prices of various raw materials like Fiber Reinforced Plastic, Stainless Steel, MS rods, Cement, Sand, Gravel, etc. as well as its availability, particularly as we typically do not





enter into any supply agreements with our suppliers and all the above mentioned raw materials are bought by our Company from various suppliers on a order to order basis. The prices of the various raw materials used in our manufacturing process are subject to fluctuations in the prices due to various reasons like increased manufacturing costs of these materials, increase in transportation costs, changes in core prices of minerals as a natural resource, etc. Further, our Company in past import certain raw material required in our processes, however company may or may not import in further but, if company procure the raw materials from international markets and the prices of these raw materials may fluctuate based on exchange rate, customs & duties levied on imports or changes in government policies with respect to these materials or the countries supplying the same. We may be unable to make adequate provisions for the price fluctuations and, consequently, any adverse fluctuations that we have not factored in or provided for may adversely affect the results of our operations and our financial conditions.

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. Upward fluctuations in the prices of the various raw materials may thereby affect our margins and profitability, resulting in a material adverse effect on our overall business, financial condition and results of operations. For further details of various raw materials required, see “Our Business” on page no. 83 of this Draft Prospectus.

6. ***We are currently using a trademark “”, which belongs to our Promoter and the application for registration of the same is pending (Advertised before acceptance) with the Trademarks Registry.***

Our Promoter, Ms. Namita Banka has made an application bearing No. 2362475 dated July 10, 2012 for the purpose of registration of the trademark logo  under class 5. Vide an Acquisition Agreement dated February 1, 2013 executed by and between Banka Enterprises, a proprietorship concern of Ms. Namita Banka and our Company, all the undertakings of Banka Enterprises, including trademarks were transferred to and vested or deemed to be transferred to and vested in our Company. Hence, though the application is in the name

of the Promoter, ownership of the trademark  has been transferred to the Company. Also, currently the application for the registration of the aforementioned trademark is under process and shows the current status as “Advertised before acceptance” on the web-portal of [www.ipindiaonline.gov.in](http://www.ipindiaonline.gov.in). There is no assurance that the application will be approved by the Trademarks Registry in favour of our Promoter. Appropriate filings will have to be done at the relevant time to the Trademark Registry to record the transfer of ownership of the

trademark  In addition, the application may be opposed by third parties. If we are unable to obtain a registration, we may still continue to use the corporate logo but remain vulnerable to infringement and passing-off by third parties and will not be able to enforce any rights against them. We may also need to change our corporate logo which may adversely affect our reputation and business and could require us to incur additional costs. Although, we believe that that our present systems are adequate to protect our confidential information and intellectual property, there can be no assurance that our intellectual property data, trade secrets or proprietary technology will not be copied, infringed or obtained by third parties. Further, our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. This may lead to litigations and any such litigations could be time consuming and costly and their outcome cannot be guaranteed. Our Company may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our intellectual property, which may adversely affect our business, financial condition and results of operations. For further details pertaining to our intellectual property, please refer to the chapter titled “Our Business” beginning on page no. 83 of this Draft Prospectus.

7. ***We are dependent on third party transportation providers for the delivery of toilet super-structure and bio-tank. Accordingly, continuing increases in transportation costs or unavailability of transportation services for them, as well the extent and reliability of Indian infrastructure may have an adverse effect on our business, financial condition, results of operations and prospects***

The toilet super-structure and the bio-tank are made in our plants and transported to the place of installation, and our team members fit the toilet at the customer site. We use third party transportation providers for the delivery. Transportation strikes could have an adverse effect on our receipt of raw materials and our ability to deliver our products to our customers.

In addition, transportation costs in India have been steadily increasing over the past several years. Continuing increases in transportation costs or unavailability of transportation services for our products may have an adverse effect on our business, financial condition, results of operations and prospects.

In addition, India's physical infrastructure is less developed than that of many developed nations, and problems with its road networks, electricity grid, communication systems or any other public facility could disrupt our normal business activity, including our supply of 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.

**8. *Our Company has reported certain negative cash flows from its investing and financing activities, details of which are given below. Sustained negative cash flow could impact our growth and business in the future.***

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

(₹ in lakhs)

Particulars	June 30, 2017	For the year ended March 31,				
		2017	2016	2015	2014	2013
Cash flow from Operating Activities	(16.65)	73.61	(60.15)	(140.61)	29.20	(65.97)
Cash flow from Investing Activities	(3.96)	(19.58)	(6.53)	(70.55)	(21.46)	(89.59)
Cash flow from Financing Activities	(3.15)	(18.68)	68.30	218.21	(11.31)	160.14

For details, please refer “Management's Discussion and Analysis of Financial Conditions and Results of Operations” on page no. 157 of this Draft Prospectus.

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If our Company is not able to generate sufficient cash flows, it may adversely affect our business and financial operations.

**9. *Our business is not of continuous production in nature and is dependent on programme to programme basis thus resulting in varied results for different operating periods as well as Balance Sheet situations.***

We are providing bio toilets and bioloo services (i.e. operation and maintenance contract for bioloos). Our result of operation in case of bio-loo services is continuous in nature however compared to a normal mass manufacturing / services company, our business of supply of bio-toilets is not of continuous standardized production nature. Our business is carried out on a programme to programme basis. Hence our result of operation may not be seamless / similar for different quarters or different operating periods.

**10. *Our Promoter and Directors play key role in our functioning and we heavily rely on their knowledge and experience in operating our business and therefore, it is critical for our business that our Promoter and Directors remain associated with us. Our success also depends upon the services of our key managerial personnel and our ability to attract and retain key managerial personnel and our inability to attract them may affect our operations.***

We benefit from our relationship with our Promoter and Directors and our success depends upon the continuing services of our Promoter and Directors who have been responsible for the growth of our business and are closely involved in the overall strategy, direction and management of our business. Our Promoter and Directors has been actively involved in the day to day operations and management since the incorporation of the Company. Accordingly, our performance is heavily dependent upon the services of our Promoter and Directors. If our Promoter and Directors is unable or unwilling to continue in their present position, we may not be able to replace them easily or at all. Further, we rely on the continued services and performance of our key executives and senior management for continued success and smooth functioning of the operations of the Company. If we lose the services of any of our key managerial personnel, we may be unable to locate suitable or qualified replacements, and may incur additional expenses to recruit and train new personnel, which could adversely affect our business operations and affect our ability to continue to manage and expand our business. Moreover, we do not maintain key person insurance to insure against the loss of key personnel.

Our Promoter, along with the key managerial personnel, have over the years built relations with manufacturers, formulators, customers and other persons who are connected with us. The loss of their services could impair our ability to implement our strategy, and our business, financial condition, results of operations and prospects may be materially and adversely affected.

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

We require several statutory and regulatory permits, licenses and approvals to operate our business, some of which our Company has either received, applied for or is in the process of application. Many of these approvals are granted for fixed periods of time and need renewal from time to time. Non-renewal of the said permits and licenses would adversely affect our Company's operations, thereby having a material adverse effect on our business, results of operations and financial condition. There can be no assurance that the relevant authorities will issue any of such permits or approvals in the time-frame anticipated by us or at all. Our Company has made applications to obtain the below mentioned approvals and the same are currently pending approval: (i) Registration under the Bihar Shops and Establishment Act, 1953 for its office situated at B-42, Near Shiv Mandir, A. G. Colony, Ashiana Nagar, P.S. Shastri Nagar, Patna-800025, and (ii) Consent to Operate for its manufacturing premises situated at Plot No C158 B, MIA, Alwar, Rajasthan – 301030. The application has been made for manufacturing cement products (without using asbestos) under Green Category. Further, our Company is required to obtain registration under Telangana Shops and Establishments Act, 1988 for its premises situated at Kolanpak Village, Aler, District: Nalgonda, Hyderabad – 508101. However, the same have not been obtained by the Company as on the date of filing the Draft Prospectus and is in the process of making an application to obtain the same. Our Company may be liable to penalty or fine as provided under the Telangana Shops and Establishments Act, 1988 for the same. Further, some of our permits, licenses and approvals are subject to several conditions and we cannot provide any assurance that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, which may lead to the cancellation, revocation or suspension of relevant permits, licenses or approvals. Any failure by us to apply in time, to renew, maintain or obtain the required permits, licenses or approvals, or the cancellation, suspension or revocation of any of the permits, licenses or approvals may result in the interruption of our operations and may have a material adverse effect on the business. If we fail to comply with all applicable regulations or if the regulations governing our business or their implementation change, we may incur increased costs, be subject to penalties or suffer a disruption in our business activities, any of which could adversely affect our results of operations. For further details, please see chapters titled “Key Industry Regulations and Policies” and “Government and Other Statutory Approvals” at page nos. 102 and 175 respectively of this Draft Prospectus.

**12. *Some of the immovable properties used by us are on lease and leave and licence basis. If we are unable to renew existing lease and leave and license or relocate operations on commercially reasonable terms, there may be an effect on our business, results of operations and prospects.***

We do not own some of the premises from where we operate. We have entered into a rental agreement for our manufacturing unit at Alwar, our office at Bihar and registered office at Hyderabad. Further we have entered into lease agreement for our manufacturing unit in Cherllapally. All these agreements are renewable based on the terms of the agreement. Periodic renewals of short-term leases may increase our costs, since they are subject to rent escalation. Further, If we are unable to renew the agreements pursuant to which we occupy the premises on terms and conditions acceptable to us, or at all, we may have to relocate to other places and if we relocate our factories and registered office as a result of any termination or non-renewal of our leases and rentals, we may incur additional cost as a result of such relocation.

Any failure or difficulty faced by us in renewing leases, or disputes or other problems that we may face in the future with lessees may affect our business and prospects. For further details of our Properties, please refer to section titled “Our Business” beginning on Page no. 83 of this Draft Prospectus.

**13. *We have issued Equity Shares during the last year at a price that may be below the Issue Price.***

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

Date of Allotment	No. of Equity Shares	Issue Price (₹)	Nature of Allotment	Allotted Person
October 30, 2017	28,88,846	Nil	Bonus Allotment	Allotted to all the Shareholders of the Company as on the date of allotment

For Further details of equity shares issued, please refer to the section titled “*Capital Structure*” beginning on page no. 49 of the Draft Prospectus

14. ***Our Company has availed ₹ 354.36 lakhs as unsecured loan which are repayable on demand. Any demand from the lenders for repayment of such unsecured loan may affect our cash flow and financial condition.***

Our Company, as per the restated financial statement, has availed total sum of ₹ 354.36 lakhs as unsecured loan as on June 30, 2017, 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 the chapter “*Financial Indebtedness*” on page no. 167 of this Draft Prospectus. Any demand for the repayment of such unsecured loan, may adversely affect our cash flow and financial condition.

15. ***We have availed of certain loans from Bank, pursuant to the Financing Agreements that we have entered into with them. Pursuant to the terms of such agreements, we require consents from the respective Banker for a number of corporate actions, including for undertaking this Issue, which have not been obtained as on date. Any failure to obtain such consents may result in a default under the terms of the Financing Agreements.***

Pursuant to the Financing Agreements entered into by us with the Banker, we are required to obtain consents from the respective Banker to undertake certain actions, including this Issue and for completion of the requirements pertaining to this Issue. Though, we have informed our banker orally of our intention to undertake this Issue, we have not obtained consents from one these bankers and the same is awaited.

While our Company intends to obtain all the necessary consents in relation to this Issue from our banker prior to the filing of the Prospectus with the RoC, undertaking this Issue without obtaining these consents, or in contravention of any conditions contained in such contents, may constitute a breach of the Financing Agreements. Any default under the Financing Agreements may enable our banker to cancel any outstanding commitments, accelerate the repayment and enforce their security interests. If our obligations under the Financing Agreements are accelerated, our financial condition and operations could materially and adversely be affected.

16. ***We employee our Company's manufacturing activities are labour intensive and depend on availability of skilled and unskilled labourers in large numbers. In case of unavailability of such labourers and / or inability to retain such personnel, our business operations could be affected.***

Our Company has employed 177 as on June 30, 2017 employees all of whom are on our payrolls. The above includes employees in the Top and middle management (including Executive Directors), and also employees who are part of manufacturing unit and office staff. We also employee daily wage workers for on-site installation of bio-toilets. Our operations and performance are labour intensive and depends on our ability to identify, attract and retain both skilled and unskilled labour. In case such labour is unavailable or we are unable to identify and retain such labourers, our business could be adversely affected.

Further, there are instances where we need to hire additional contract labour, either for specialized jobs or during periods of high customer orders. We have not entered into any agreement for hiring additional labourers and thus availability of appropriately skilled labour cannot be guaranteed. Any failure to hire the appropriate labour may impact the operations and impair our client relations.

17. ***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 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 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.

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

Our Company intends to primarily use the Net Proceeds from the Issue towards acquisition of new facilities and acquisition of land, working capital as described in “Objects of the Issue” on page no. 59 of this Draft Prospectus. In terms of Regulation 16 of the SEBI (ICDR) Regulations, we are not required to appoint a monitoring agency since the Fresh Issue size is not in excess of ₹ 100 crores. The management of our Company will have discretion to use the Net Proceeds from the Issue, and investors will be relying on the judgment of our Company's management regarding the application of the Net Proceeds from the Issue. Our Company may have to revise its management estimates from time to time and consequently its requirements may change. Additionally, various risks and uncertainties, including those set forth in this section “Risk Factors”, may limit or delay our Company's efforts to use the Net Proceeds from the Fresh Issue to achieve profitable growth in its business.

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

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

19. ***Our business is dependent on our operating facilities. The loss or shutdown of our facilities could have a material adverse effect on our business, financial condition and results of operations***

Our facilities are located at Cherlapally and Aler in Telangana and Alwar in Rajasthan, are subject to operating risks, such as shutdowns due to the breakdown of power supply or processes, performance below expected levels of output or efficiency, labour disputes, strikes, lockouts, disruption by extremist groups, or any other reason, and the need to comply with the directives and regulations of the Government of India (“GoI”) and relevant state government authorities. We are heavily reliant on our workers at unit, including those workers who are hired on a daily wage / per piece basis and are not on a fixed payroll employed at sites. Our inability to continue to procure such services or any disputes with this group of labour would severely affect our operations and may cause a under-utilisation of our capacities or a total shut down.

Our operations involve a significant degree of integration, and our results of operations are dependent on the successful operation of each facility. Although we take precautions to minimize the risk of any significant operational problems at our facilities, our business, financial condition, results of operations and prospects may be adversely affected by any disruption of operations at our facilities.



20. ***If we suffer a large uninsured loss or if we suffer an insured loss that significantly exceeds our insurance coverage, our financial condition and results of operations may be adversely affected.***

Our business, assets and stocks could suffer damage from fire, natural calamities, misappropriation or other causes, resulting in losses, which may not be fully compensated by insurance. While we believe that we maintain insurance coverage in amounts consistent with industry norms, our insurance policies do not cover all risks and are subject to exclusions and deductibles. There can 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.

Further, we are required to renew these insurance policies from time to time and in the event, we fail to renew the insurance policies within the time period prescribed in the respective insurance policies or not obtain at all, we may face significant uninsured losses. If we suffer a large uninsured loss or if any insured loss suffered by us significantly exceeds our insurance coverage, our business, financial condition and results of operations may be adversely affected. For further details of the insurance policies taken by us, please refer the chapter “Our Business – Insurances” on page no. ---- of this Draft Prospectus.

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

In past, we have acquired M/s. Banka Enterprises a proprietary concern business in the year 2012-13. To foster our growth; we may consider making additional acquisitions in the future to expand our business. However, we have limited experience in acquiring businesses, and any acquisitions we undertake could limit our ability to integrate an acquired business and may create unforeseen operating difficulties and expenditures, including potentially dilutive issuances of the Equity Shares, incurrence of debt, contingent liabilities or amortization expenses or write-offs of goodwill, difficulties in integrating the operations, technologies, research and development activities, personnel and distribution, marketing and promotion activities of acquired businesses and ineffectiveness or incompatibility of acquired technologies.

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

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

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

23. ***Our failure to accurately forecast demand or in case of order based procurements, any cancellation of orders or delay in supply of raw materials by suppliers to meet such orders, could result in an unexpected shortfall or surplus in the supply of our products resulting into higher inventory, which could adversely affect our operations and profitability.***

We maintain inventory of raw materials at our various units based on existing demand trends to meet a certain unexpected demand and also our production batches are set accordingly. We monitor the inventory levels based



on our own projections of future demand. In the past, we have experienced high levels of inventory of ₹ 86.63 lakhs and ₹ 76.49 lakhs as per the restated financials as at June 30, 2017 and March 31, 2017 to meet the demand. If we are unable to appropriately estimate the demand for our products for any reason, the same could result in surplus of inventory levels or unavailability of the same in high demand situations resulting in below potential sales. Additionally, in case of order based procurements, any cancellation of orders or delay in supply of raw materials by our suppliers to meet such orders, could also result in surplus or shortfall of our products, which could adversely affect our operations. Further, excess stock of raw materials and finished products, subjects us to additional risks related to storage of the same, such as health and safety hazard and environmental damage and theft, which could adversely affect our operations and profitability.

**24. *Our Company has entered into certain related party transactions in the past and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders.***

Our Company has entered into certain transactions with our related parties including our Promoter, Promoter Group, Directors and their relatives. While we believe that all such transactions have been conducted on the arm's length basis, we cannot assure you that we might have obtained more favourable terms had such transactions been entered into with unrelated parties.

Furthermore, it is likely that we may enter into related party transactions in the future. We cannot assure you that such transactions, individually or in the aggregate, will always be in the best interests of our minority shareholders and will not have an adverse effect on our business, results of operations, cash flows and financial condition. For details, please refer "*Financial Statements – Annexure XXXII - Related Party Transactions*" on page no. 154 of this Draft Prospectus.

**25. *There are various negative covenants in the sanction letters issued to us by our lenders, which could put us at a competitive disadvantage and could have an adverse effect on our business, results of operations and financial condition.***

The sanction letter issued to us contains provisions that restrict our ability to do, among other things, any of the following:

- To make any change in the constitution/Shareholding pattern without the prior written.
- To avail any loan from any Bank or financial institution without the prior written consent.
- To create or allow to exist any encumbrance or security over assets specifically charged with the bank, without any prior written consent.
- To have any additional current accounts with other Banks, without the knowledge and written consent of the Bank;
- To declare dividends/ withdraw any amount in any form of salary/ remuneration/ incentive/ commission by the Promoters/ Directors in case of overdue with the Bank.
- To change directors/ ownership/ promoters/ major shareholders without the written consent of the Bank.
- To divert any funds and/or launch any new scheme/business without prior permission of the Bank

Further the company has created a charge on its assets in favour of their bankers against the assets of the company. In case of default by the company in repayment of the loans, bankers may exercise their rights over the security, which may be detrimental to the interest of the company. For details, please refer "*Financial Indebtedness*" on page no. 167 of this Draft Prospectus.

Also, we are required to obtain the required consents of the lenders before undertaking certain significant corporate actions. We cannot assure you that the lenders will grant the required approvals in a timely manner, or at all. The time required to secure consents may hinder us from taking advantage of a dynamic market environment. In addition to the restrictions listed above, we are required to maintain certain financial ratios under our financing agreements. These financial ratios and the restrictive provisions could limit our flexibility to engage in certain business transactions or activities.

Additionally, our borrowings are secured by our movable, immovable or tangible assets (whether existing or future) and by a personal guarantee of our Promoter / Promoter Group. Such securities enable the lenders to cancel any outstanding commitments, accelerate the repayment, exercise cross default provisions and enforce their security interests on the occurrence of events of default such as a breach of financial covenants, failure to obtain the proper consents, failure to perfect security as specified and such other covenants that are not cured. It is possible that we may not have sufficient funds upon such an acceleration of our financial obligations to pay

the principal amount and interest in full. Further, if we are forced to issue additional equity to the lenders, your ownership interest in our Company will be diluted. It is also possible that future financing agreements may contain similar or more onerous covenants and may also result in higher interest cost.

If any of these events were to occur, our business, results of operations and financial condition may be adversely affected.

**26. *Any operating losses or negative cash flows in the future could adversely affect our results of operations and financial conditions.***

We have not experienced negative operating cash flow however if in future, our Company may not be able to generate sufficient amounts of cash flow to finance our Company's working capital, make new capital expenditure, pay dividends, repay loans, make new investments or fund other liquidity needs which could have a material adverse effect on our business and results of operations.

**27. *Our success largely depends on our ability to attract and retain our Key Managerial Personnel. Any loss of our Key Managerial Personnel could adversely affect our business, operations and financial condition.***

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 may be difficult to find a replacement, and business might thereby be adversely affected. Our industry requires personnel with specific technical knowledge and experience for our software development and software services.

Competition for Key Managerial Personnel in our industry is intense and it is possible that our Company may not be able to retain existing Key Managerial Personnel or may fail to attract/ retain new employees at equivalent positions in the future. As such, loss of Key Managerial Personnel could 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. 114 of this Draft Prospectus.

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

Some of our Directors (including our Promoters) and Key Management Personnel are interested in our Company to the extent of their shareholding and dividend entitlement in our Company, in addition to normal remuneration, incentives or benefits and reimbursement of expenses. We cannot assure you that our Directors or our Key Management Personnel would always exercise their rights as Shareholders to the benefit and best interest of our Company. As a result, our Directors will continue to exercise significant control over our Company, including being able to control the composition of our board of directors and determine decisions requiring simple or special majority voting, and our other Shareholders may be unable to affect the outcome of such voting. Our Directors may take or block actions with respect to our business, which may conflict with our best interests or the interests of other minority Shareholders, such as actions with respect to future capital raising or acquisitions. We cannot assure you that our Directors will always act to resolve any conflicts of interest in our favour, thereby adversely affecting our business and results of operations and prospects.

**29. *Our Group entity Vinraa Technology LLP has incurred losses in the last three (3) financial years.***

Our Group Entity has incurred losses during the financial years proceeding the current financial year, details of which are as under:

(₹ in lakhs)

Name of Company	For the year ended March 31,		
	2017	2016	2015
Vinraa Technology LLP	(2.16)	(0.05)	(1.16)

Even though these losses are not substantial in amount terms, sustained losses in the future by this group entity may further erode their net worth and hence this may affect our promoter financial capabilities and goodwill.

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

The success of our business will depend greatly on our ability to effectively implement our business and growth strategy. Our growth strategy involves focusing on Optimal Utilization of Resources and to develop relationships with customer and suppliers. For further details, see the section titled “Our Business – Our Strategies” on page no. 86 of this Draft Prospectus. Our success in implementing our growth strategies may be affected by:

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

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

31. *Our Company has not paid any dividends till now and there can be no assurance that we will pay dividends in future. Our ability to pay dividends in the future will depend upon a variety of factors such as future earnings, financial condition, cash flows, working capital requirements, and restrictive covenants in our financing arrangements.*

Our Company has not paid any dividends till now and there can be no assurance that we will pay dividends in future. Our ability to pay dividends in the future will depend on our earnings, financial condition and capital requirements. Dividends distributed by us will attract dividend distribution tax at rates applicable from time to time. There can be no assurance that we will generate sufficient income to cover our operating expenses and pay dividends to our shareholders, or at all. Our ability to pay dividends could also be restricted under the existing or certain financing arrangements that we may enter into.

32. *Our Product’s price may increase after the introduction of new tax regime, which may adversely affect our revenue from operations.*

Our company trades in textile products which were exempt under the erstwhile central and state tax regimes. The Goods and Services Tax (GST) came into force w.e.f. July 01, 2017. Our traded or processed goods are covered under the taxable supplies as per new tax regime. After the introduction of GST, there may be an increase in the purchase cost, ultimately affecting the sale price of our products. This may have a negative impact on our sector as compared to erstwhile taxation mainly because of non occurrence of taxes as per earlier tax regimes

33. *Our Company might be unable to meet certain delivery obligations including timelines of delivery, due to which, it could become liable to claims by customers, suffer adverse publicity and incur substantial costs, which in turn could adversely affect our results of operations.*

Many of our orders involve providing services that are critical to the operations of our customers business. Any failure or defect in services could result in a claim against us for substantial damages, regardless of our responsibility for such a failure or defect. Our Company has commitments for safe and timely delivery of the cargo. Any failure to meet the scheduled timelines set by our customers or loss or damage to cargo may lead to our customers raising claims against us.

Although Our Company is attempting to limit its contractual liability for all the damages, including consequential damages, while rendering the services, our Company cannot be assured that the limitations on liability it provides for, in the service contracts will be enforceable in all cases.

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

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

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

After the completion of Initial Public offer of up to 11,00,000 new equity shares to general public still, our Promoter and Promoter Group may beneficially own approximately 59.87% of our post-Issue equity share capital. As a result, the Promoter and Promoter Group may have the ability to control our business including matters relating to any sale of all or substantially all of our assets, the timing and distribution of dividends and the election or termination of appointment of our officers and directors. This control could delay, defer or prevent a change in control of the Company, impede a merger, consolidation, takeover or other business combination involving the Company, or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of the Company even if it is in the Company's best interest. In addition, for so long as the Promoter Group continues to exercise significant control over the Company, they may influence the material policies of the Company in a manner that could conflict with the interests of our other shareholders. The Promoter Group may have interests that are adverse to the interests of our other shareholders and may take positions with which our other shareholders do not agree.

**36. *We have not made any alternate arrangements for meeting our regular working capital requirements. If our operations do not generate the necessary cash flow, our working capital requirements may negatively affect our operations and financial performance.***

As on date, we have not made any alternate arrangements for meeting our working capital requirements. We meet our working capital requirements through our owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt would result in us being unable to meet our working capital requirements, which in turn will negatively affect our financial condition and results of operations.

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

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

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

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

39. ***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 / schedule of implementation 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 Chapter “Objects of the Issue” on page no. 59 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, we may have to revise our business, development and working capital plans resulting in unprecedented financial mismatch and this may adversely affect our revenues and results of operations.

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

Our Company is susceptible to changes in interest rates and the risks arising there from. Our sanction letters provide for interest at variable rates with a provision for the periodic resetting of interest rates. Further the lenders are entitled to change the applicable rate of interest, which is a combination of a base rate that depends upon the policies of the RBI and a contractually agreed spread, and in the event of an adverse change in our Company’s credit risk rating. For further details of interest payable on our borrowings, please refer to the chapter titled “Financial Indebtedness” on page no. 167 of this Draft Prospectus. Further, in recent years, the Government of India has taken measures to control inflation, which have included tightening the monetary policy by raising interest rates. As such, any increase in interest rates may have an adverse effect on our business, results of operations, cash flows and financial condition.

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

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

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

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

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

43. ***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.

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

Our ability to pay dividends in future will depend on our earnings, financial condition and capital requirements, and that of our Subsidiary and the dividends they distribute to us. In the past, we have not made dividend payments to the Shareholders of our Company. The Company may decide to retain all future earnings, if any, for use in the operations and expansion of the business. In such situation, the Company may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including among others, our future earnings, financial condition, cash requirements, business prospects and any other financing arrangements. We cannot state with any certainty whether we will be able to pay dividends in the future. Accordingly, realization of a gain on Shareholders' investments will depend on the appreciation of the price of the Equity Shares. There is no guarantee that our Equity Shares will appreciate in value.

## **EXTERNAL RISK FACTORS**

**45. *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.

**46. *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. 102 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.

**47. *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.

**48. *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.

**49. *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.

**50. *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

**51. *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.

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

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

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

## PROMINENT NOTES

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 (net of revaluation reserves) is ₹ 409.81 lakhs and ₹ 397.54 lakhs and the book value of each Equity Share was ₹ 326.28 and ₹ 316.51 as of June 30, 2017 and March 31, 2017 as per our Restated Financial Statements. For more information, please refer the Section titled “Financial Information” beginning on page no. 133 of this Draft Prospectus.
3. Public Issue of up to 11,00,000 Equity Shares for cash at price of ₹ [●] per share including a premium of ₹ [●] aggregating to ₹ [●] lakhs. The Issue will constitute 26.74 % of the post-Issue paid-up Equity Share capital of our Company.

4. The average cost of acquisition of Equity Shares by our Promoter is.

Promoter	Average cost (₹)
Mrs. Namita Banka	1.63

5. Investors are advised to refer to the chapter titled “*Basis for Issue Price*” beginning on page no. 66 of this Draft Prospectus.
6. The details of transactions by our Company with our Group Companies or associate during the last year are disclosed under “*Annexure XXXII - Statement of Related Party Transactions*” on page no. 154 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 the Draft Prospectus.
8. Our Company was incorporated as Banka BioLoo Private Limited on August 31, 2012 under the Companies Act, 1956 with the Registrar of Companies, Hyderabad bearing Registration No. 082811. The status of our Company was changed to a public limited company and the name of our Company was changed to Banka BioLoo Limited by a special resolution passed on November 13, 2017. A fresh Certificate of Incorporation consequent upon conversion was issued on November 15, 2017 by the Registrar of Companies, Hyderabad. The Company’s Corporate Identity Number is U90001AP2012PLC082811

## SECTION III – INTRODUCTION

### SUMMARY OF OUR INDUSTRY

#### OVERVIEW OF GLOBAL SANITATION

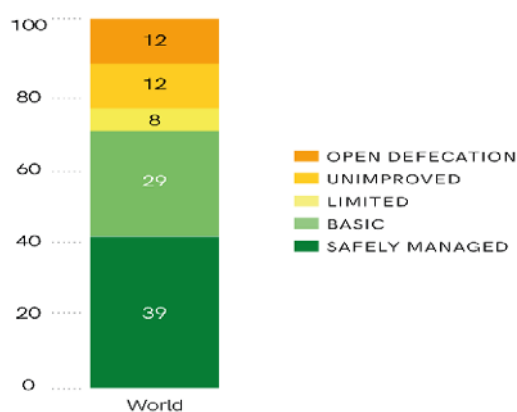
The topic of toilets often makes people uncomfortable but a reluctance to talk about sanitation is part of the reason why an estimated 2.4 billion people worldwide remain without proper facilities. This means they lack protection against preventable diseases that claim the lives of thousands daily, primarily children.

Children are especially, vulnerable to diseases caused by the lack of proper sanitation. Poor sanitation, hygiene and unsafe water claim the lives of an estimated over 1.5 million children under the age of five every year.

It is estimated that improved sanitation facilities could reduce diarrhea-related morbidity in young children by more than one-third. If hygiene promotion is added, such as teaching proper hand washing, it could be reduced by two-thirds. It would also help accelerate economic and social development in countries where poor sanitation is a major cause of lost work and school days because of illness.

Millions of people – especially the poor in developing countries - are forced to defecate in bags, buckets, fields or roadside ditches, causing serious health risks to them and others. Progress requires broad cooperation through public and private partnerships, community involvement and public awareness.

(Source: [https://www.unicef.org/media/media\\_39569.html](https://www.unicef.org/media/media_39569.html))



In 2015 two out of five people used safely managed sanitation services

Universal access to adequate sanitation is a fundamental need and human right. Securing access for all would go a long way in reducing illness and death, especially among children. Since 2000, 1.4 billion people have gained access to basic sanitation, such as flush toilets or latrine with a slab which are not shared with other households. As of 2015, 2.3 billion people still lacked a basic sanitation service and among them almost 892 million people still practiced open defecation. The data reveal pronounced disparities, with the poorest and those living in rural areas least likely to use a basic service.

“Safely managed” sanitation services represent a higher service level that takes into account the final disposal of excreta. In 2015, 2.9 billion people used a “safely managed” sanitation service, i.e. a basic facility where excreta are disposed in situ or treated off-site. A further 2 billion people used a “basic” service, i.e. an improved facility that is not shared with other households. There are 600 million who shared improved sanitation facilities with other households count as a “limited” service.

(Source: <https://data.unicef.org/topic/water-and-sanitation/sanitation/>)

#### Sanitation is a human right

In 2010, the United Nations General Assembly and the Human Rights Council recognized clean drinking water and safe sanitation to be a human right essential to the full enjoyment of life and all other human rights.

Declaring that access to sanitation and water is a human right constitutes an important step towards making it a reality for everyone. It means that:

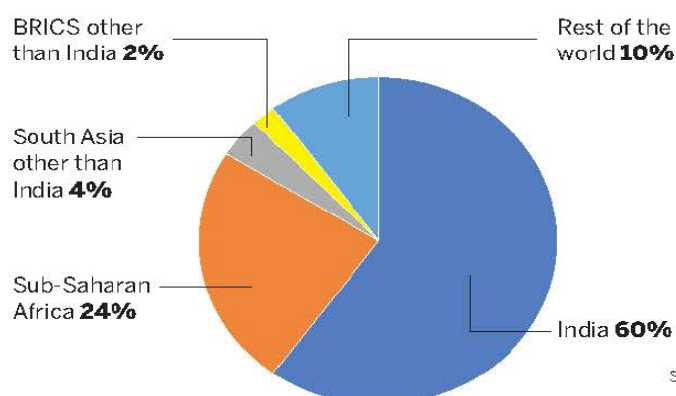
- Access to basic sanitation and safe water is an entitlement, rather than a commodity or a service provided on a charitable basis.
  - Progress on access to basic sanitation must be accelerated.
  - Efforts should focus on those least served, including the hardest to reach and the most vulnerable.
  - Communities and vulnerable groups need to be empowered and engaged in decision- making processes.
  - The means and mechanisms available within the United Nations human rights system should be used to monitor nations' progress towards realizing the right to water and sanitation, and to hold governments accountable.
- (Source: [http://www.un.org/waterforlifedecade/pdf/human\\_right\\_to\\_water\\_and\\_sanitation\\_media\\_brief.pdf](http://www.un.org/waterforlifedecade/pdf/human_right_to_water_and_sanitation_media_brief.pdf))

## INDIAN SANITATION:

Sanitation is defined as the prevention of human contact with feces and the proper treatment and disposal of wastewater. While India is home to 17.5% of the world population, close to 60% of the number of people globally who do not have toilets and defecate in the open, live in India.

**Figure 1:**

Open defecation in India compared to other countries/regions of the world (%)



Swachh Bharat Mission (SBM) was launched by the Government of India on 2 October, 2014 as a national development priority and a flagship programme. The Ministry of Drinking water and Sanitation and the Ministry of Urban Development are the nodal ministries of Central Government for implementing the programme. The objective is to improve the quality of life in India by eliminating open defecation by October 2019, as a tribute to Mahatma Gandhi on his 150th birth anniversary. This is an ambitious target because attitudes towards sanitation are deeply embedded, and changing them is challenging. As per census of India, 2011, 67% of the rural households did not have toilets and were defecating in the open.

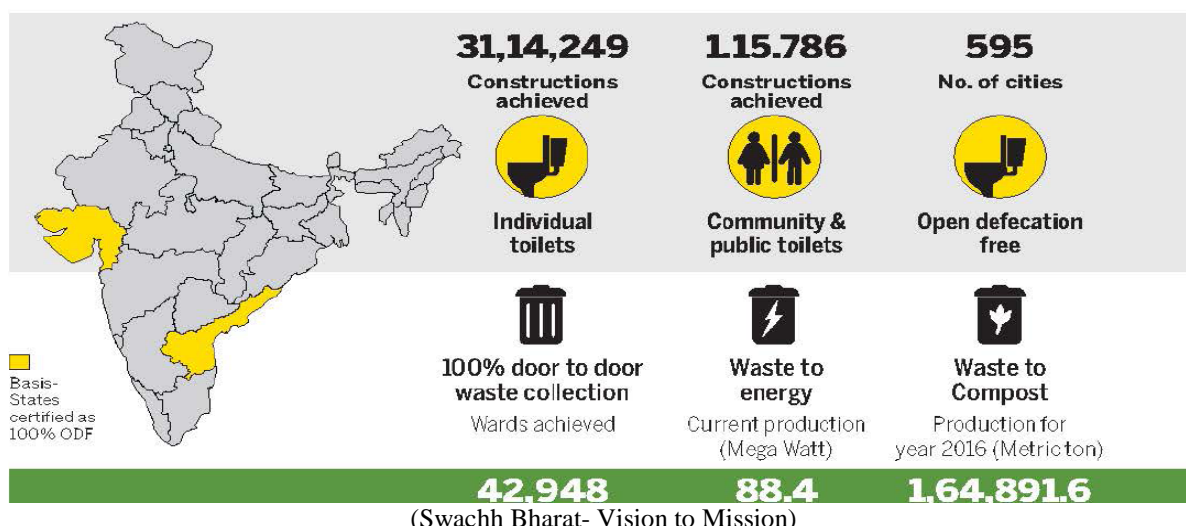
The programme aims to construct 111 million toilets at the cost of ₹ 1,36,000 crore by October 2019. The following gives the progress in sanitation coverage for past five years.

**Figure 2:**

Progress of rural sanitation in terms of coverage (%)



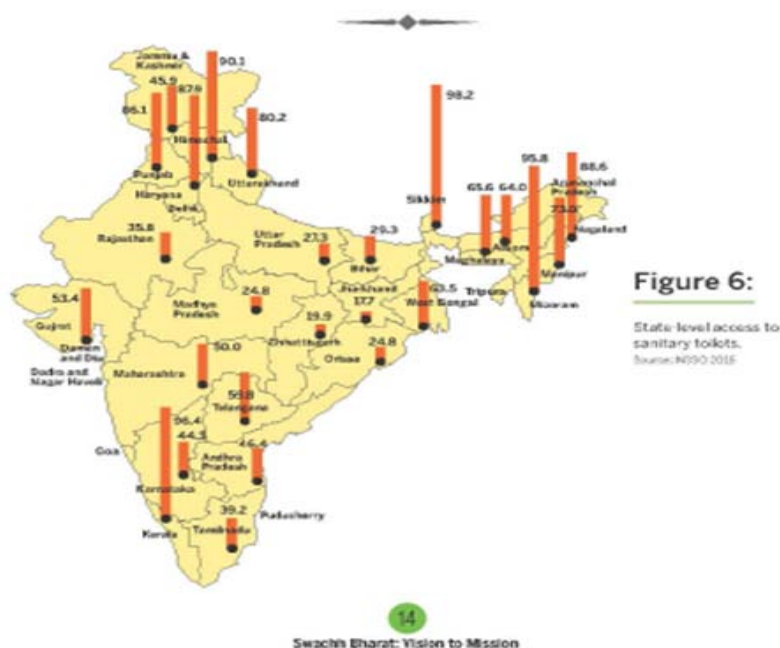
The programme up till now has managed to not only cover rural areas but also the urban areas. The Swachh Bharat Mission (U) has had the following progress-



Proper sanitation protects people from hazards that may be microbiological, biological or chemical agents of disease. Sanitation includes prevention that involves large-scale engineering solutions such as maintaining sewer pipes, sewage treatment, surface runoff management, solid waste management, excreta (or fecal sludge) management. Sanitation is also related to the selection of toilets, as some are easier to keep clean than others. Providing sanitation to people requires a systematic approach, rather than only focusing on the toilet or waste water treatment plant alone.

The main objective of a sanitation system is to protect and promote human health by providing a clean environment that will break the cycle of disease. For example, improving access to safe sanitation and changing hygiene behaviors can reduce the incidents of diarrhea, which is the leading cause of deaths in children under 5. One of the main challenges of sanitation is sustainability, especially in developing countries. Maintaining and sustaining sanitation has aspects that are technological, institutional and social in nature. Good governance is required to manage sanitation properly, in order to serve the growing world population. Urban settlements are becoming bigger and bigger. Sanitation infrastructure has to be adapted to several specific contexts including consumers' expectations and local resources available.

The National Sample Survey – 2015 ranked 26 states of India based on the percentage of households having access to sanitary toilets and using them. Sikkim has the highest percentage with 98.2% and Jharkhand has the lowest 17.7%

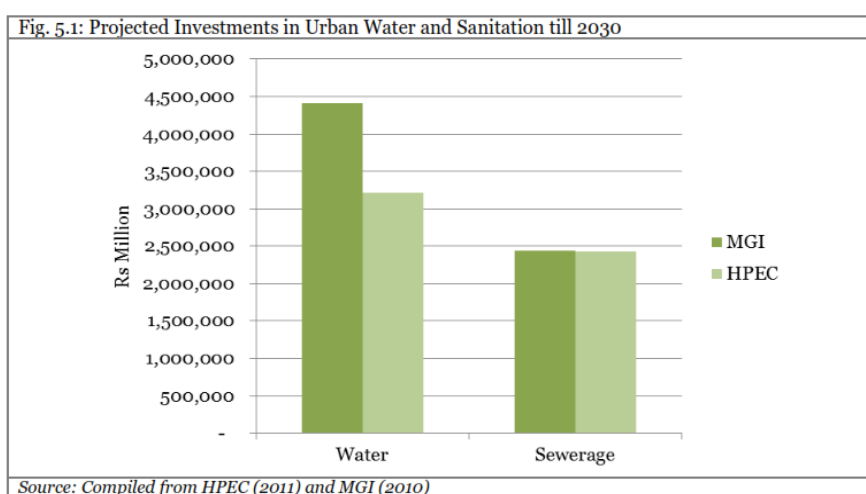




## Sanitation Industry

The seriousness of the challenges associated with urban water supply and sanitation in India have been recognised in recent times. After decades of neglect, the first national effort to invest in the urban water and sanitation sector commenced in the 1970s, but was accorded considerable priority in the subsequent two decades as a part of different national- and state- level schemes, culminating most recently in the ‘*Swachh Bharat Mission*’.

In addition to a large percentage of households not having access to piped water supply, a large percentage of households do not have access to water within the house. The distribution of households according to the distance between water source and houses. Nearly two-thirds of the households do not have access to water within the house, and 8 per cent of households need to fetch water from more than 100 metres away from their households. Monitor Deloitte has estimated that the demand for rural toilets in India could be worth INR 500-700 billion (US\$ 10-14 billion), with an INR 300-450 billion (US\$ 6-9 billion) financing opportunity. There are two main types of business models to deliver rural toilets: the Do It Yourself (DIY) model and a Turnkey Solution Provider (TSP) model. Both models require a central player or ‘market maker’ to conduct market-building activities to get the models started. Organisations such as NGOs, microfinance institutions (MFIs) and cement companies can play this role, while the Government has a key role in facilitating the development of the sanitation market.



The estimates for the investments depend on a number of factors, and certain assumptions have been made about each of these. The most critical of these factors include:

1. Population Estimates for Urban India
2. Estimates for Infrastructure Deficit
3. Type of Technology/System and related per unit costs
4. Selective Inclusion of Costs

<b>Table 3.2: SLB Indicators for Water Supply</b>					
No.	Indicator	Unit	Benchmark	Median	Average
1	Coverage of Connections	%	100	53	50.2
2	Per Capita Supply	Lpcd	135	69	69.2
3	Metering of Connections	%	100	0	13.3
4	Non-Revenue Water	%	20	29	32.9
5	Continuity of Supply	Hours	24	2	3.1
6	Quality and Treatment	%	100	94	81.7

Source: MoUD (2010)

(Source: [http://iihs.co.in/knowledge-gateway/wp-content/uploads/2015/08/RF-WATSAN\\_reduced\\_sized.pdf](http://iihs.co.in/knowledge-gateway/wp-content/uploads/2015/08/RF-WATSAN_reduced_sized.pdf))

## Market Size

According to the 2011 Indian Census, 69% of India's 240 million households had no latrine of their own. However, in Kerala in the south-west, only 7% of its five million households lacked a latrine (*Census of India*, Kerala, 2011). In the vast northern state of Uttar Pradesh (UP), on the other hand, 64% of 33 million households did not have a latrine on the premises (*Census of India*, Uttar Pradesh 2011). Infant mortality in recent years has been about 15 deaths per thousand live births in Kerala and more than 70 per thousand in UP (Sharma 2008: 27). In 2004, only 59% of the world population had access to any type of improved sanitation facility. In other words, 4 out of 10 people around the world have no access to improved sanitation. They are forced to defecate in the open or use unsanitary facilities, with a serious risk of exposure to sanitation-related diseases. While sanitation coverage has increased from 49% in 1990, a huge effort needs to be made quickly to expand coverage to the MDG target level of 75%. Investing in sanitation infrastructure involves a long project cycle.

(Source: <http://www.epw.in/journal/2014/49/notes/open-defecation-india.html>)

<b>Table 3.1: Access to Improved Urban Water Supply (MDG and Census of India)</b>						
Year	Popn. India '000	% Urban Popn.	Total Improved	Piped	Other Improved	Unimproved
1990	862	26%	<b>90%</b>	52%	38%	10%
2000	1042	28%	<b>93%</b>	50%	43%	7%
2008	1181	29%	<b>96%</b>	48%	48%	4%
2011	1210	31%	<b>84%</b>	62%	2%	16%
<i>Source: JMP, Census, 2001, Census 2011</i>						

(Source: [http://iihs.co.in/knowledge-gateway/wp-content/uploads/2015/08/RF-WATSAN\\_reduced\\_sized.pdf](http://iihs.co.in/knowledge-gateway/wp-content/uploads/2015/08/RF-WATSAN_reduced_sized.pdf))

Lack of proper sanitation causes over 2.7 million deaths across the world annually. It also, is a contributory factor for diarrhea, which kills 800,000 children a year. A good number of these deaths occur in India where 64 per cent of rural households do not have toilets, and as a result, close to 600 million people defecate in the open, though things are changing under the SBM.

The former government has attempted to tackle the problem through the Nirmal Bharat Abhiyan which subsidised rural toilet construction. Over the years, it has allocated around ₹ 20,000 crore. But according to a white paper published by Monitor Deloitte - part of the global management consultant DeloitteTouche Tohmatsu - only 60 per cent of these funds have actually been used. Worse, a good number of the toilets said to have been built under the programme either do not exist or are not in use.

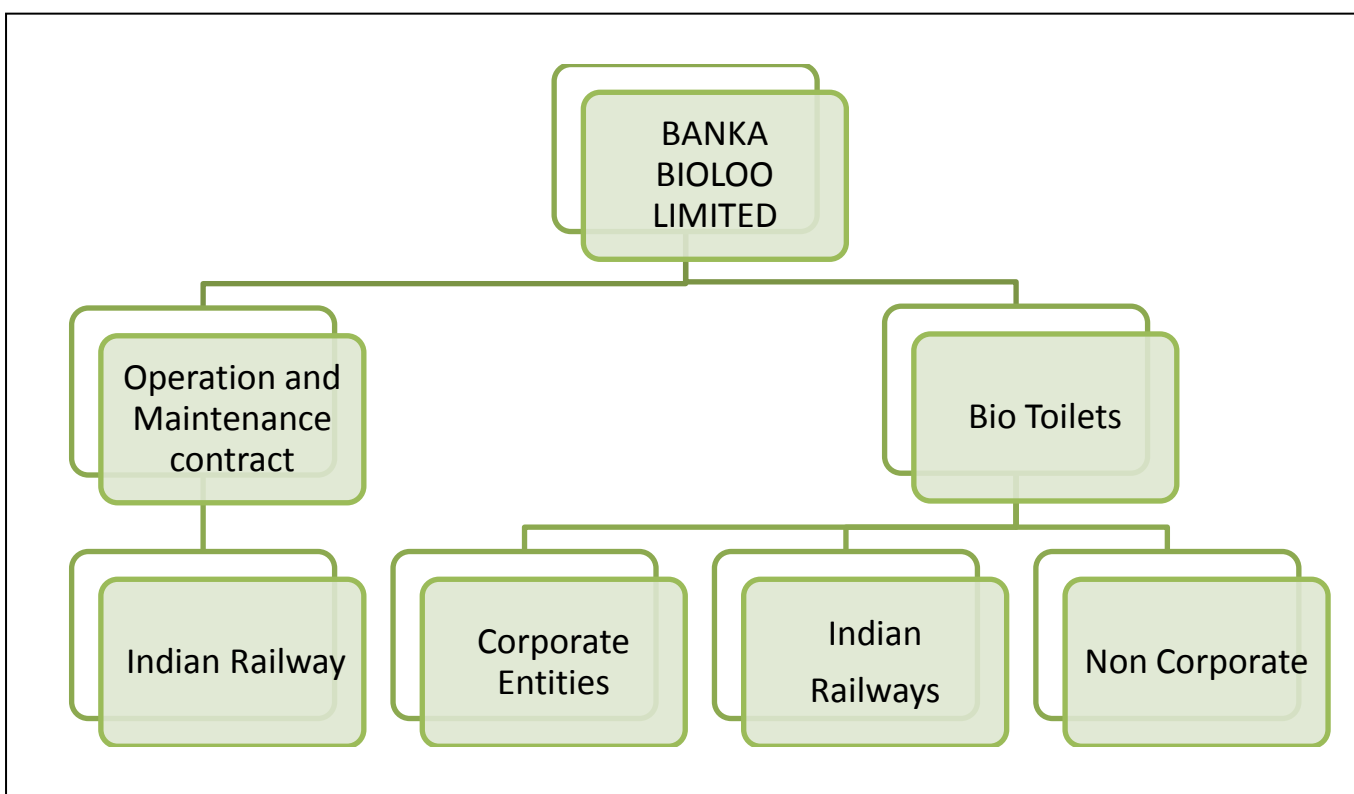
(Source: <http://www.businesstoday.in/sectors/infra/sanitation-public-toilets-for-poor-in-india-business-earning/story/203075.html>)

## SUMMARY OF OUR BUSINESS

### OVERVIEW

Our company was incorporated in 2012 with an aim to provide sanitation infrastructure and hygienic solutions for human waste treatment and disposal. After receiving our certificate of incorporation, we have taken over the running business of our promoter, 'Banka Enterprises', a sole proprietorship through a business takeover agreement dated Feb 1, 2013. For further details please refer to "History and other corporate matters" beginning on page no. 110 of this Draft Prospectus.

We focus on giving sanitation solutions to those who do not have access to toilets, as well as to those who have toilets but face trouble treating and managing the waste. We provide sanitation infrastructure and human waste management solutions and services, involving innovative and simple bio-digester technology patented by Defense Research and Development Organisation (DRDO), the R&D arm of the Indian Ministry of Defense. The anaerobic bio-digester technology helps users manage waste onsite, without depending on expensive and energy-consuming sewage infrastructure. Further, we also provide sanitation operations and maintenance (O&M) services to Indian Railways. Our business model is illustrated below



We have installed over 6,000 bio-toilet units across India and currently undertake 12 O&M service contracts with Indian Railways. For our innovation and continuous contribution for betterment of society, we have been recognized and acclaimed, nationally and globally, a few noteworthy are below:

- Carter Women's Initiative Award – Asia-Pacific Laureate
- Devi Award by Indian Express
- IMC Innovation Award - Finalist
- Changing Markets Award
- Recognized by Business Outlook
- Sankalp Award for Health, Water and Sanitation



Our solutions can be used for many purposes, few of which are:

- Household Bio-toilets
- Mobile Bio-toilets
- School Bio-toilet Blocks
- Bio-toilets at worksites
- Bio-digester Tanks for various user groups

## OUR STRENGTHS

### 1. *Pioneers in Bio-digester Technology Application and Development for Commercialization*

Our sanitation solutions are based on the patented “bio-digester” technology, developed by DRDO. We are a licensee (through transfer of technology) and have partnered DRDO for technology commercialization for large-scale deployment of sanitation systems.

A licensing agreement was entered into with DRDO on January 12, 2012 in the name of Banka Enterprises and the license is perpetual in nature. Though the bio-digester technology was licensed from DRDO by many entities, nobody took it as a serious business or a cause and a mission. Banka BioLoo pioneered the concept in mass deployment, across states and user-bases. The technology is effective in resolving the huge challenge of open defecation in India. We also continue to explore more application areas of the technology.

As a pioneer in the bio-toilets sector, Banka BioLoo enjoys the first-mover advantage. With many successful projects in place, and recognition from the government, industry and academia – we have overcome many entry barriers, as also made a mark for ourselves. We have also upgraded to bio-tank, many a septic tank for educational institutions, apart from houses, to treat human waste effectively. This has led to continuous flow of enquiries from far and wide, and we are pursuing /consummating these steadily. Today, Banka BioLoo has become synonymous with “bio-toilet” in India, and the company is seen as an effective human waste solution provider.

### 2. *All-round Expertise and Capability*

We have an all-encompassing strength in sanitation and across the value-chain offering. We cater to Railways and other clients. We provide both, products and services. We have manufacturing and production facilities for all components of bio-toilets – super-structure, bio-tank for Railways and non-rail ones, inoculum generation plants; and team members for installation and commissioning and operations and maintenance. Most of our peers cater to a particular segment only or provide a specific product or service. We leverage this unique positioning for further growth and expansion.

### 3. *Consistent and Standardised Product Quality*

Our Company has received ISO Certification from DUV Certification Private Limited and was found to be in accordance with the requirements of ISO 9001:2015 in regards to manufacturing, installation, repair, maintenance of control discharge toilet systems, retention tanks, bio-toilets, bio-tanks, fabricated items for railways, domestic applications, inoculation and supply of anaerobic bacteria. This certification provides assurance to our customers of the quality. Our Company undertakes stringent quality control as mandated in its Quality Manual to adhere to the quality norms of ISO.

The brief details of the internal Quality Manual detailing the Quality Management System (QMS) are enumerated in the section “*Quality Manual*” in the chapter “*Our Business*” on page no. 98 of this Draft Prospectus.

#### **4. *Experienced & Qualified Team***

Our senior management team is experienced in this industry and in the application of marketing and distribution initiatives in this sector. The Promoter and the senior management team of our Company have significant industry experience and have been instrumental in the consistent growth of our Company’s performance. Our Managing Director and Promoter Mrs. Namita Banka has been the main guiding force behind the growth and business strategy of our Company. She has significant industry experience and has been instrumental in the consistent growth of our Company’s performance. Mr. Akhilesh Tripathi has several years of experience in the controlled discharge toilet system (CDTS), supporting the railways on this technology and has been instrumental in managing the operations and maintenance services with the railways. Mr. Sanjay Banka completed his Bachelor of General Law from South Gujarat University, Surat and Master of Business Administration (MBA) from Stuttgart Institute of Management and Technology, Germany. His functional responsibility is developing industry networks for further business development, setting up the key processes for scaling up, building national and international partnerships and collaborations. He has developed deep insights on water, sanitation and hygiene (WaSH), and is an acclaimed name in international WaSH, having held important global positions. Mr. Rama Krishna is a seasoned CFO, with over two decades of finance & accounts, regulatory & compliance and secretarial matters experience. Further, our Promoter Directors are supported by a team of well qualified and experienced professionals. We believe that our management team’s experience and their understanding of the sanitation sector will enable us to continue to take advantage of both, current and future opportunities. It is also expected to help us in addressing and mitigating various risks inherent in our business, including significant competition. For further details on education, experience and other details of our Management and our Key Managerial Personnel, kindly refer to the Chapter titled “*Our Management*” beginning on page no. 114 of this Draft Prospectus.

#### **5. *Economical & Affordable product***

Treatment of human waste through bio-digester technology is economical compared to hugely built and centralized sewage treatment plants and associated infrastructure, and age-old septic tanks; hence can be afforded by people from peri-urban and rural areas. Most conventional technologies need huge infrastructure (for transportation to a centralized facility) or immense energy (for treatment or degrading). This technology does away with both. The fecal matter is treated at source (below/behind the toilet pod) and doesn’t require any external aid. On the contrary, the system releases re-usable effluent water that could be used for gardening and agriculture. With further secondary and tertiary treatment, the water could be used for other purposes. The system also releases biogas that can be used as a source of energy for heating and cooking, in case of large-sized bio-tanks. The bio-toilet can be deployed anywhere and everywhere, in crowded urban slums or far-flung rural hinterlands.

#### **6. *Environmentally-friendly and Sustainable System***

The bio-toilet is a complete environmentally-friendly system. The fecal matter isn’t left to ground, nor does it pollute the ecology in any manner. The system ensures that the human waste is completely degraded or “eaten up”. The effluent water is pathogen-free, can be re-used or left to seep into the ground. Even as it percolates, it recharges the water table. Above all, the system doesn’t require any energy source for treatment, rather gives out utilizable biogas.

In a country such as India where 50% of the population did not have toilet facility till the onset of Swachh Bharat Abhiyan (Clean India Mission), the bio-toilet is a strong remedy. The bio-toilet can be easily installed without high cost, for the economically challenged or for the people at the bottom of pyramid (BoP). Houses or areas that use the conventional pit system (fecal matter being collected or dumped in earth) can adopt the bio-toilet system easily. We need to install the bio-tank, of any effective material to hold the bacteria, which can then be added to the multi-chambered bio-tank. We strongly believe that womenfolk will be major beneficiaries of our systems, as they suffer more compared to the men, due to absence of sanitation. Their security is at risk, as well as their dignity is compromised while defecating in the open, and they face health risks.

#### **7. *Strong Client Base***

We have developed a strong client base for our products and services. We have entered into multi-year O&M contracts with Indian Railways. Also, for our products we have developed corporate client base including public sector



undertakings (PSUs), publicly-listed and private companies, construction, infrastructure and plantation companies, Foundations, NGOs and other organizations. We have expanded our market across, urban, peri-urban and rural India.

## OUR STRATEGIES

### 1. *Marketing and Communication Strategy*

Swachh Bharat Abhiyan (SBA) is a campaign in our country that aims to clean up the streets, roads and infrastructure of India's cities, smaller towns, and rural areas. The objectives of SBA include eliminating open defecation through the construction of household-owned and community-owned toilets and establishing an accountable mechanism of monitoring toilet use. Lead by the Central Government, the Mission aims to achieve an open-defecation free (ODF) India by 2 October 2019, the 150<sup>th</sup> anniversary of the birth of Mahatma Gandhi, by constructing 12 million toilets in rural India at a projected cost of ₹ 1.96 lakh crore (US\$30 billion).

Due to the SBA, awareness amongst people for cleanliness and sanitation is increasing rapidly, which we are leveraging to promote our business. Following marketing and communication strategies are employed by us to expand our existing market:

**WoM (word-of-mouth):** We have created a lot of awareness regarding the concept through various successful projects in different parts of the country. These projects have led to the next projects, and then the next.

**Exhibitions:** We participate in exhibitions, such as Swachh Bharat Expo in India, and abroad, spreading the technology and highlighting the enterprise.

**Events:** For instance, in January 2013, we organized “Walkathon for Sanitation” with COWE (Confederation of Women Entrepreneurs), of which Banka BioLoo is a member, in Hyderabad. Participants included college students and corporate employees, among others. They helped spread the word on sanitation and overcoming open defecation. Banka's name was on the hoarding too, with other participants – leading to many potential clients enquiring about us and our services.

### 2. *Partnerships with industry and non-governmental players*

DRDO, the inventor of the technology and our technology partner, supports us immensely. DRDO calls us the torch-bearer of the bio-digester technology, due to our strong commitment and on-ground work.

Federation of Indian Chambers of Commerce and Industry (FICCI) has supported for promoting and implementing bio-toilet projects. Our pilot project in 2012 of 6 twin-toilet installations in Odisha, a state in eastern India was inaugurated by the then national minister of rural development and water and sanitation, Mr Jairam Ramesh. FICCI is an association of business organizations in India and has deep inroads within the industry and the government.

NGOs and non-profit organizations are our partners in installing household and community bioloos, and creating awareness. In association with them, we reach out to the rural populace and urban slums.

### 3. *Networking*

We are a member of NSIC (The National Small Industries Corporation). It helps us network with and build relationships within state-owned enterprises. One such, National Thermal Power Corporation (NTPC), a leading power generator, approached us for providing bioloos in the vicinity of its plants.

COWE (Confederation of Women Entrepreneurs), Sankalp Forum (promotes social enterprises) and friends and acquaintances in corporations and the non-profit sector help in reaching out to clients.

### 4. *Customer Retention Strategy*

Every customer of ours has been immensely satisfied by the extent of service provided, right from understanding the need, the customer's budget, kind of material to be used, the benefits to be derived, the design element and everything else. This helps in not only retaining the customer but also get new ones. Many new customers have approached us through “word of mouth”, which helps us grow continuously. Our team members are extremely committed to the mission and they go all out to meet the customers' requirements. For example, we supplied bioloo to L&T (Larsen and Toubro Ltd – an Indian conglomerate) for their metro construction work in Hyderabad. Satisfied with the working of

the toilets and our hands-on approach; they placed orders for more bioloos for their new sites. Same is the case with Shapoorji Pallonji & Co. Ltd., a construction major with pan-India presence, and Piramal Realty, member of the Piramal Group; to name a few.

We, at regular intervals, interact with the customers to understand any issue faced and to check the quality of effluent water. This helps us understand the challenges and keeps the customer motivated. We intend to set-up 24/7 teams, in major hubs, to serve the customers better, as we scale.

## **5. Pricing Strategy**

Bio-toilets are price sensitive and different models help us to ensure we provide these to various client segments. Currently, the prices of our products and services are on a cost plus basis. Margins vary from product to product. One of the critical factors is to try to fit the solution offering in the client's budget. The basic price covers our costs. We determine the margins based on customer's ability, place and type of labor. Our O&M contract covers supply of components and salaries of on-site staff

## SUMMARY OF FINANCIAL INFORMATION

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

( ₹ in lakhs)

Particulars	As at June 30, 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	12.56	12.56	12.56	12.56	11.11	11.11
b)Reserves and Surplus	397.25	384.98	269.29	237.44	75.07	54.12
c) Share Application Money Pending Allotment	-	-	-	-	-	-
<b>Total Shareholders Fund (1)</b>	<b>409.81</b>	<b>397.54</b>	<b>281.85</b>	<b>250.00</b>	<b>86.18</b>	<b>65.24</b>
<b>2.Non-Current Liabilities</b>						
a) Long Term Borrowings	256.74	263.73	190.45	75.36	73.45	75.32
b) Deferred Tax Liabilities	6.27	6.63	3.34	3.49	2.77	0.94
c) Other Long Term Liabilities	-	-	-	-	-	-
d) Long Term Provisions	15.53	15.08	10.19	7.12	4.23	1.50
<b>Total(2)</b>	<b>278.54</b>	<b>285.44</b>	<b>203.97</b>	<b>85.98</b>	<b>80.45</b>	<b>77.77</b>
<b>3.Current liabilities</b>						
a) Short-Term Borrowings	85.66	63.47	94.46	100.19	17.02	22.65
b) Trade Payables	124.67	134.42	231.18	119.21	194.89	27.46
c) Other Current Liabilities	204.92	182.39	146.07	23.11	131.21	4.79
d) Short-Term Provisions	44.38	41.59	-	0.43	1.64	-
<b>Total(3)</b>	<b>459.63</b>	<b>421.87</b>	<b>471.71</b>	<b>242.95</b>	<b>344.76</b>	<b>54.9</b>
<b>TOTAL(1+2+3)</b>	<b>1147.98</b>	<b>1104.85</b>	<b>957.53</b>	<b>578.92</b>	<b>511.39</b>	<b>197.90</b>
<b>ASSETS</b>						
<b>1.Non - Current Assets</b>						
a) Fixed Assets						
i.) Tangible Assets	135.04	139.39	136.04	142.65	95.40	77.87
ii) Intangible Assets	5.31	5.56	6.59	7.61	8.64	9.72
iii)Capital Work in Progress	22.71	18.76	14.22	12.66	-	-
b) Non- Current Investments	-	-	-	-	-	-
c) Long term Loans & Advances	92.41	53.94	65.74	46.25	36.34	20.77
d) Other Non-Current Assets	-	-	-	-	-	-
<b>Total (1)</b>	<b>255.47</b>	<b>217.65</b>	<b>222.59</b>	<b>209.17</b>	<b>140.38</b>	<b>108.36</b>
<b>2.Current Assets</b>						
a) Inventories	86.63	76.49	130.30	195.23	168.36	64.38
b) Trade Receivables	694.68	673.19	572.97	150.09	196.82	18.35
c) Cash and Cash equivalents	21.27	45.03	9.68	8.06	1.01	4.58
d) Short-Term Loans and Advances	83.25	86.84	20.45	15.71	4.57	2.23
e) Other Current Assets	6.68	5.65	1.54	0.67	0.25	0.00
<b>Total(2)</b>	<b>892.51</b>	<b>887.2</b>	<b>734.94</b>	<b>369.76</b>	<b>371.01</b>	<b>89.54</b>
<b>TOTAL(1+2)</b>	<b>1,147.98</b>	<b>1,104.85</b>	<b>957.53</b>	<b>578.92</b>	<b>511.39</b>	<b>197.90</b>

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

( ₹ in lakhs)

Particulars	For the period ended June 30, 2017	For the year ended March 31,				
		2017	2016	2015	2014	2013
<b>INCOME:</b>						
Revenue from Operations(Net)	261.94	1505.32	1426.54	818.73	524.25	43.27
Other Income	1.14	10.51	6.34	1.05	5.80	0.06
<b>Total Income</b>	<b>263.08</b>	<b>1515.83</b>	<b>1432.88</b>	<b>819.78</b>	<b>530.05</b>	<b>43.33</b>
<b>EXPENSES:</b>						
Cost Of Material Consumed	112.43	604.83	665.86	533.73	367.42	50.80
Changes in Inventories of Finished Goods	(16.96)	8.32	128.37	(24.32)	(58.84)	(47.53)
Employee Benefits Expense	73.85	279.17	161.05	143.32	95.51	14.44
Finance Cost	18.35	60.97	41.06	23.14	15.96	1.14
Depreciation and Amortization Expense	4.60	17.13	15.92	12.70	5.83	2.05
Other Expenses	53.04	366.01	371.30	119.41	88.69	19.46
<b>Total Expenses</b>	<b>245.30</b>	<b>1336.42</b>	<b>1383.56</b>	<b>807.98</b>	<b>514.56</b>	<b>40.36</b>
<b>Net Profit / (Loss) before Tax</b>	<b>17.76</b>	<b>179.41</b>	<b>49.31</b>	<b>11.80</b>	<b>15.49</b>	<b>2.97</b>
<b>Less: Tax Expense</b>						
Current Tax	5.85	60.43	17.62	3.54	4.87	0.10
Deferred Tax	(0.36)	3.29	(0.16)	0.72	1.83	0.94
<b>Total Tax Expense</b>	<b>5.49</b>	<b>63.72</b>	<b>17.46</b>	<b>4.26</b>	<b>6.70</b>	<b>1.04</b>
<b>Net Profit / ( Loss ) after Tax</b>	<b>12.27</b>	<b>115.69</b>	<b>31.85</b>	<b>7.54</b>	<b>8.79</b>	<b>1.93</b>

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

( ₹ in lakhs)

Particulars	For the period ended June 30, 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>17.76</b>	<b>179.41</b>	<b>49.31</b>	<b>11.80</b>	<b>15.49</b>	<b>2.97</b>
Adjustments for :						
Depreciation/Amortisation	4.60	17.13	15.92	12.70	5.83	2.05
Dividend Received	-	-	-	-	-	-
Interest Received	-	(4.40)	(3.32)	(1.03)	(0.82)	(0.06)
Prior Period Item	-	-	-	-	-	-
Interest Paid	18.35	60.97	41.06	23.14	15.96	1.14
<b>Operating Profit Before Working Capital Adjustments</b>	<b>40.71</b>	<b>253.11</b>	<b>102.97</b>	<b>46.62</b>	<b>36.46</b>	<b>6.11</b>
<b>Adjustment for Changes in Working Capital</b>						
Trade and other Payable	(9.75)	(96.76)	111.96	(75.68)	167.43	27.46
Inventories	(10.14)	53.81	64.92	(26.87)	(103.98)	(64.38)
Trade and other Recievables	(21.49)	(100.22)	(422.88)	46.73	(178.48)	(18.35)
Short Term Loans and Advances	3.59	(66.39)	(4.74)	(11.14)	(2.34)	(2.23)
Other Current Assets	(1.03)	(4.11)	(0.87)	(0.42)	(0.25)	-
Short Term Provisions	2.79	41.59	(0.43)	(1.21)	1.64	-
Other Current Liabilities	22.53	36.32	122.95	(108.09)	126.42	4.79
Long Term Loans & Advances	(38.47)	11.80	(19.49)	(9.91)	(15.56)	(20.77)
Long Term Provision	0.45	4.89	3.07	2.89	2.73	1.50
<b>Cash Flow Generated from Operations</b>	<b>(10.80)</b>	<b>134.04</b>	<b>(42.54)</b>	<b>(137.07)</b>	<b>34.06</b>	<b>(65.87)</b>
Income Tax and Fringe Benefit Tax Paid	5.85	60.43	17.62	3.54	4.87	0.10
<b>Net Cash flow from Operating activities (A)</b>	<b>(16.65)</b>	<b>73.62</b>	<b>(60.15)</b>	<b>(140.61)</b>	<b>29.19</b>	<b>(65.97)</b>
<b>Cash Flow From Investing Activities</b>						
(Purchase)/Sale of Fixed Assets	(3.96)	(23.99)	(9.85)	(71.58)	(22.28)	(89.65)
Purchase / (Sale) of Investments	-	-	-	-	-	-
Other Non-Current Assets	-	-	-	-	-	-
Long Tern Loans & Advances	-	-	-	-	-	-
Other Long Term Liabilities	-	-	-	-	-	-
Capital Work In progress	-	-	-	-	-	-
Dividend Received	-	-	-	-	-	-
Interest Received		4.40	3.32	1.03	0.82	0.06
<b>Net Cash Flow from Investing Activities (B)</b>	<b>(3.96)</b>	<b>(19.58)</b>	<b>(6.53)</b>	<b>(70.55)</b>	<b>(21.46)</b>	<b>(89.59)</b>
<b>Cash Flow From Financing Activities</b>						
Proceeds from/ ( Repayment of ) Borrowing	(6.99)	73.28	115.08	1.92	(1.87)	75.32
Capital Subsidy	-	-	-	-	12.16	-
Short term borrowings from banks	22.19	(30.99)	(5.72)	83.17	(5.63)	22.65
Proceeds from Share Capital (including Share Premium)	-	-	-	156.27	-	63.31
Interest Paid	(18.35)	(60.97)	(41.06)	(23.14)	(15.96)	(1.14)
<b>Net Cash Flow from Financing Activities (C)</b>	<b>(3.15)</b>	<b>(18.68)</b>	<b>68.30</b>	<b>218.21</b>	<b>(11.31)</b>	<b>160.14</b>
<b>Net Increase/ ( Decrease) in Cash and Cash Equivalents ( A + B + C )</b>	<b>(23.76)</b>	<b>35.36</b>	<b>1.61</b>	<b>7.05</b>	<b>(3.58)</b>	<b>4.58</b>
Cash & Cash equivalent at the beginning of the year	45.03	9.68	8.06	1.01	4.58	-
<b>Cash &amp; Cash Equivalent at the end of the year</b>	<b>21.27</b>	<b>45.04</b>	<b>9.68</b>	<b>8.06</b>	<b>1.01</b>	<b>4.58</b>



## THE ISSUE

### PRESENT ISSUE IN TERMS OF THIS DRAFT PROSPECTUS

<b>Equity Shares Offered<sup>(1)</sup>:</b> Present Issue of Equity Shares by our Company and the Selling Shareholders <sup>(2)</sup> :	Up to 11,00,000 Equity Shares of ₹ 10 each for cash at a price of ₹ [●] per share aggregating ₹ [●] lakhs.
<b>Which Comprises:</b>	
<b>Issue Reserved for the Market Maker</b>	Up to 58,000 Equity Shares of ₹ 10 each for cash at a price of ₹ [●] per share aggregating ₹ [●] lakhs
<b>Net Issue to the Public</b>	Up to 10,42,000 Equity Shares of ₹ 10 each for cash at a price of ₹ [●] per share aggregating ₹ [●] lakhs
	<b>Of which<sup>(3)</sup>:</b>
	Up to 5,21,000 Equity Shares of ₹ 10 each at a price of ₹ [●] per Equity Share will be available for allocation for Investors of up to ₹ 2.00 lakhs
	Up to 5,21,000 Equity Shares of ₹ 10 each at a price of ₹ [●] per Equity Share will be available for allocation for Investors of above ₹ 2.00 lakhs
<b>Equity Shares outstanding prior to the Issue</b>	30, 14,448 Equity Shares
<b>Equity Shares outstanding after the Issue</b>	41,14,448 Equity Shares
<b>Objects of the Issue</b>	Please see the chapter titled “ <i>Objects of the Issue</i> ” beginning on page no. 59 of this Draft Prospectus

<sup>(1)</sup> 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 the section titled “Issue Related Information” beginning on page no. 190 of this Draft Prospectus.

<sup>(2)</sup> The present Issue has been authorized pursuant to a resolution of our Board dated November 15, 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 with a shorter notice on November 16, 2017.

<sup>(3)</sup> Allocation to all categories shall be made on a proportionate basis subject to valid Applications received at or above the Issue Price. Under subscription, if any, in any of the categories, would be allowed to be met with 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 affected in accordance with applicable laws, rules, regulations and guidelines. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 43 (4) of SEBI (ICDR) Regulations, as amended from time to time.

## GENERAL INFORMATION

Our Company was incorporated as Banka BioLoo Private Limited on August 31, 2012 under the Companies Act, 1956 with the Registrar of Companies, Hyderabad bearing Registration No. 082811. The status of our Company was changed to a public limited company and the name of our Company was changed to Banka BioLoo Limited by a special resolution passed on November 13, 2017. A fresh Certificate of Incorporation consequent upon conversion was issued on November 15, 2017 by the Registrar of Companies, Hyderabad. The Company's Corporate Identity Number is U90001AP2012PLC082811.

For further details, please refer to the chapter titled "*History and Certain Corporate Matters*" beginning on page no. 110 of this Draft Prospectus.

## BRIEF COMPANY AND ISSUE INFORMATION

<b>Registered Office</b>	<b>Address:</b> Plot no 11-4-651, A – 109, Express Apartment, Lakdi ka Pool, Hyderabad – 500 004 <b>Tel No:</b> +91 – 40 – 2980 1495 <b>Fax No:</b> +91 – 40 – 6668 8028 <b>Email:</b> <a href="mailto:investor.relations@bankabio.com">investor.relations@bankabio.com</a> <b>Website:</b> <a href="http://www.bankabio.com">www.bankabio.com</a>
<b>Date of Incorporation</b>	August 31, 2012
<b>Company Registration No.</b>	082811
<b>Company Identification No.</b>	U90001AP2012PLC082811.
<b>Address of Registrar of Companies</b>	2 <sup>nd</sup> Floor, Corporate Bhawan, GSI Post, Tattianaram Nagole, Bandlaguda, Hyderabad - 500 068. <b>Tel No.:</b> +91 – 40 - 2980 5427/ 2980 3827/ 2980 1927 <b>Fax No.:</b> +91 – 40 - 2980 3727
<b>Issue Programme</b>	Issue Opens on: [●] Issue Closes on: [●]
<b>Designated Stock Exchange</b>	SME Platform of National Stock Exchange of India Limited i.e. NSE EMERGE
<b>Company Secretary &amp; Compliance Officer</b>	Mr. Y. Sri Bala Aditya <b>Address:</b> Plot no 11-4-651, A – 109, Express Apartment, Lakdi Ka Pool, Hyderabad – 500 004 <b>Tel No:</b> +91 – 40 – 2980 1495 <b>Fax No:</b> +91 – 40 – 6668 8028 <b>Email:</b> <a href="mailto:investor.relations@bankabio.com">investor.relations@bankabio.com</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.
Mrs. Namita Banka	Chairman & Managing Director	05017358
Mr. Akhilesh Kumar Tripathi	Whole Time Director	05338290
Mr. Sanjay Banka	Whole Time Director	06732600
Mr. T V Rama Krishna	Whole Time Director	07977695
Mr. Vishal Murarka	Non Executive Director	06729485
Mrs. Geeta Goti	Non Executive Independent Director	06866598
Mr. Sandip Poddar	Non Executive Independent Director	07864347
Mr. Jayant Kumar	Non Executive Independent Director	00580260

For further details pertaining to the educational qualification and experience of our Directors, for details please refer to the chapter titled "*Our Management*" beginning on page no. 114 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 TO THE ISSUE



#### 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:** Mr. Vimal Maniyar

**SEBI Registration No.:** INM000011344

### REGISTRAR TO THE ISSUE



#### BIGSHARE SERVICES PRIVATE LIMITED

1<sup>st</sup> Floor, Bharat Tin Works Building,  
Opp. Vasant Oasis, Makwana Road,  
Marol, Andheri East, Mumbai – 400 059

**Tel:** +91 – 22 – 6263 8200;

**Fax:** +91 – 22 – 6263 8299

**Email:** [ipo@bigshareonline.com](mailto:ipo@bigshareonline.com)

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

**Investor Grievance Email:** [investor@bigshareonline.com](mailto:investor@bigshareonline.com);

**Contact Person:** Mr. Ashok Shetty

**SEBI Registration No.:** INR000001385

### LEGAL COUNSEL TO THE ISSUE



#### M/S KANGA & CO. (ADVOCATE AND SOLICITORS)

Readymoney Mansion,  
43, Veer Nariman Road, Fort,  
Mumbai - 400 001.

**Tel No.:** +91 – 22 – 6623 0000, +91 – 22 – 6623 2288

**Fax No.:** +91 – 22 – 6633 9656 / 57

**Email:** [chetanthakkar@kangacompany.com](mailto:chetanthakkar@kangacompany.com)

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

**Contact Person:** Mr. Chetan Thakkar

### STATUTORY AUDITOR OF THE COMPANY

#### M/S. PRSV & CO. LLP, CHARTERED ACCOUNTANTS

Flat No. 202, Saptagiri Residency, 1-10-98/A, Chikoti Garden,  
Begumpet, Hyderabad, Telangana 500 016

**Tel No.:** +91 – 40 – 6610 8177

**Tele Fax No.:** +91 – 40 – 2776 6881

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

**Contact Person:** Mr. Y. Venkateswarlu

## BANKER(S) TO OUR COMPANY



**HDFC BANK LIMITED**  
 Sayeed Plaza, Lakdi ka Pool,  
 Hyderabad – 500 004  
**Tel No.:** +91 – 40 – 6602 6117  
**Fax No.:** +91 – 40 – 2324 4998  
**Website:** [www.hdfcbank.com](http://www.hdfcbank.com)  
**Email:** [arun.shankar@hdfcbank.com](mailto:arun.shankar@hdfcbank.com)  
**Contact Person:** Mr. Arun Shankar.

## BANKER(S) 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 NSE 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 NSE Limited, as updated from time to time.

## COLLECTING DEPOSITORY PARTICIPANTS

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

The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Application Forms from the Designated Intermediaries will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time.

## INTER-SE ALLOCATION OF RESPONSIBILITIES

Aryaman Financial Services Limited is the Sole Lead Manager to this 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 Listing Regulations, 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 the 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 Listing Regulations, 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**

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

## **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 Equity Shares, credit rating is not required.

## **EXPERT OPINION**

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

Our Company has received written consent from the Statutory Auditor namely, M/s. PRSV & Co. LLP, Chartered Accountants, to include their name in respect of the reports on the Restated Financial Statements dated November 16, 2017 and the Statement of Tax Benefits dated November 17, 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.

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

## UNDERWRITING

This Issue is 100% Underwritten. The Underwriting agreement is dated November 17, 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 offered through this Issue:

Details of the Underwriter	No. of Shares Underwritten	Amt Underwritten (₹ 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>	Up to 10,42,000	[●]	94.73%
<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>	Up to 58,000	[●]	5.27%
<b>Total</b>	<b>Up to 11,00,000</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 IPO, our Company shall be required to file a fresh Draft Prospectus.

## MARKET MAKER



### ARYAMAN CAPITAL MARKETS LIMITED

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

**Tel. No.:** +91 – 22 – 6216 6999

**Fax No.:** +91 – 22 – 2263 0434

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

**Contact Person:** Mr. Harshad Dhanawade

**SEBI Registration No.:** INZ000004739

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

Our Company and the Lead Manager, Aryaman Financial Services Limited have entered into an agreement dated November 17, 2017 with Aryaman Capital Markets Limited (“ACML”), a Market Maker registered with SME Platform of National Stock Exchange of India Limited i.e. NSE EMERGE 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 NSE and SEBI regarding this matter from time to time.

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

1. The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
2. The minimum depth of the quote shall be ₹ 1,00,000. However, the investors with holdings of value less than ₹ 1,00,000 shall be allowed to 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 SME Platform of National Stock Exchange of India Limited i.e. NSE EMERGE 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 SME Platform of National Stock Exchange of India Limited i.e. NSE EMERGE and Market Maker will remain present as per the guidelines mentioned under NSE and SEBI circulars.

7. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems or any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
8. The price band shall be 20% and the Market Maker Spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.
9. The Market Maker shall have the right to terminate the said arrangement by giving a three months notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker.

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

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

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

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

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

## CAPITAL STRUCTURE

The share capital of the Company as on the date of this 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>		
	50,00,000 Equity Shares of face value of ₹ 10 each	500.00	-
<b>B</b>	<b>Issued, Subscribed and Paid-up Share Capital before the Issue</b>		
	30,14,448 Equity Shares of face value of ₹ 10 each	301.44	-
<b>C</b>	<b>Present Issue in terms of this Draft Prospectus<sup>(1)</sup></b>		
	Issue of up to 11,00,000 Equity Shares of ₹ 10 each at a price of ₹ [●] per equity Share	110.00	[●]
	<b>Which comprises:</b>		
	Up to 58,000 Equity Shares of ₹ 10 each at a price of ₹ [●] per Equity Share reserved as Market Maker Portion	5.80	[●]
	Net Issue to Public of up to 10,42,000 Equity Shares of ₹ 10 each at a price of ₹ [●] per Equity Share to the Public	104.20	[●]
	<b>Of which:</b>		
	Up to 5,21,000 Equity Shares of ₹ 10 each at a price of ₹ [●] per Equity Share will be available for allocation for Investors of up to ₹ 2.00 lakhs	52.10	[●]
	Up to 5,21,000 Equity Shares of ₹ 10 each at a price of ₹ [●] per Equity Share will be available for allocation for Investors of above ₹ 2.00 lakhs	52.10	[●]
<b>D</b>	<b>Equity Share Capital after the Issue</b>		
	41,14,448 Equity Shares of ₹ 10 each	411.44	
<b>E</b>	<b>Securities Premium Account</b>		
	Before the Issue (as on date of this Draft Prospectus)	Nil	
	After the Issue	[●]	

<sup>(1)</sup> The present Issue has been authorized pursuant to a resolution of our Board dated November 15, 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 with a shorter notice on November 16, 2017

<sup>(2)</sup> Allocation to all categories shall be made on a proportionate basis, subject to valid Applications received at or above the Issue Price. Under subscription, if any, in any of the categories, would be allowed to be met with 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 affected in accordance with applicable laws, rules, regulations and guidelines.

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 initial authorised share capital of ₹ 5,00,000 divided into 50,000 Equity Shares of ₹ 10 each was increased to ₹ 20,00,000 divided into 2,00,000 Equity Shares of ₹ 10 each, pursuant to resolution of shareholders passed at the EGM held on February 15, 2013.

2. Increase in authorised capital from ₹ 20,00,000 divided into 2,00,000 Equity shares of ₹ 10 each to ₹ 5,00,00,000 divided into 50,00,000 Equity shares of ₹ 10 each, pursuant to resolution of shareholders passed at the EGM held on October 27, 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	10	10	Subscription to MoA	Cash <sup>(1)</sup>	10,000	1,00,000	Nil
February 16, 2013	90,467	10	10	Further Allotment	Other than Cash <sup>(2)</sup>	1,00,467	10,04,670	Nil
March 30, 2013	10,652	10	500	Further Allotment	Cash <sup>(3)</sup>	1,11,119	11,11,190	52,19,480
July 10, 2014	3,241	10	1,079	Further Allotment	Cash <sup>(4)</sup>	1,14,360	11,43,600	86,84,109
September 12, 2014	3,706	10	1,079	Further Allotment	Cash <sup>(5)</sup>	1,18,066	11,80,660	1,26,45,823
November 17, 2014	3,705	10	1,079	Further Allotment	Cash <sup>(6)</sup>	1,21,771	12,17,710	1,66,06,468
January 15, 2015	463	10	1,079	Further Allotment	Cash <sup>(7)</sup>	1,22,234	12,22,340	1,71,01,415
March 30, 2015	3,368	10	1,079	Further Allotment	Cash <sup>(8)</sup>	1,25,602	12,56,020	2,07,01,807
October 30, 2017	28,88,846	10	Nil	Bonus Allotment	Other than Cash <sup>(9)</sup>	30,14,448	3,01,44,480	Nil

<sup>(1)</sup> Allotment 5,100 equity shares to Mrs. Namita Banka; 2,300 equity shares to Mr. Akhilesh Kumar Tripathi; 2,100 equity shares to Mr. Sanjeev Tiwari and 500 equity shares to Vinraa Technology LLP, pursuant to their subscription to the Memorandum of Association.

<sup>(2)</sup> Pursuant to Board Meeting held on February 16, 2013, our Company has allotted 90,467 equity shares to Mrs. Namita Banka (Promoter of Proprietary concern – M/s Banka Enterprises) through a business acquisition agreement dated February 01, 2013.

<sup>(3)</sup> Pursuant to Board Meeting held on March 30, 2013, our Company has allotted 10,652 equity shares, out of which 5,100 equity shares to Mr. Vishal Murarka; 3,300 equity shares to Mr. Sanjeev Tiwari; 1,000 equity shares to Mr. Akhilesh Kumar Tripathi; 900 equity shares to Mr. Devendra Kumar; 350 equity shares to Mrs. Kavita Tiwari; and 1 equity share each to Mr. Raman Chaturvedi and Mr. Vikas Pandey.

<sup>(4)</sup> Pursuant to Board Meeting held on July 10, 2014, our Company has allotted 3,241 equity shares, out of which 926 equity shares each to Sanjay Banka (HUF) and Mr. Kirti Anam jointly with Mrs. Kusum Anam; and 463 equity shares each to Mrs. Rashmi Anam jointly with Mrs. Rekha Anam, Mr. Vinit Anam jointly with Mrs. Minal Anam and Mr. Rahul Anam jointly with Mrs. Kavita Anam

<sup>(5)</sup> Pursuant to Board Meeting held on September 12, 2014, our Company has allotted 3,706 equity shares, out of which 1,390 equity shares each to Mr. Ranjeet Shah and Mr. Sundeep Shah; and 926 equity shares to Mr. Himanshu Shah

<sup>(6)</sup> Pursuant to Board Meeting held on November 17, 2014, our Company has allotted 3,705 equity shares, out of which 926 equity shares to Mr. Kirti Anam jointly with Mrs. Kusum Anam; 463 equity shares each to Mrs. Rashmi Anam

jointly with Mrs. Rekha Anam, Mr. Vinit Anam jointly with Mrs. Minal Anam and Mr. Rahul Anam jointly with Mrs. Kavita Anam and 695 equity shares each to Mr. Ranjeet Shah and Mr. Sundeep Shah

<sup>(7)</sup> Pursuant to Board Meeting held on January 15, 2015, our Company has allotted 463 equity shares to Mr. Himanshu Shah

<sup>(8)</sup> Pursuant to Board Meeting held on March 30, 2015, our Company has allotted 3,368 equity shares, out of which 2,170 equity shares to Mrs. Namita Banka and 1,198 equity shares to Mr. Sanjay Banka.

<sup>(9)</sup> Pursuant to Board Meeting held on October 30, 2017, our Company has allotted 28,88,846 Bonus Shares to all the shareholders of the Company in the ratio of 23:1 i.e. 23 equity shares for every 1 equity share held to the shareholders, by way of capitalization of Securities Premium Account and Free Reserves

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

Date of Allotment	No. of Equity Shares	FV (₹)	Issue Price (₹)	Nature of Allotment	Allotted Person	Benefits Accrued to the Company
October 30, 2017	28,88,846	10	Nil	Bonus Allotment	Allotted to all the Shareholders of the Company as on the date of allotment	Expansion of capital

c) No 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 except as mentioned below:

Date of Allotment	Name of the Allottees	Number of Shares	Face Value (₹)	Issue Price (₹)	Reasons
October 30, 2017 <sup>(1)</sup>	Mrs. Namita Banka	18,11,411	10	Nil	Bonus Allotment
	Mr. Vishal Murarka	4,49,167			
	Mr. Akhilesh Tripathi	2,93,917			
	Mr. Vineet Murarka	51,106			
	Mr. Ranjeet Shah	47,955			
	Mr. Sundeep Shah	47,955			
	Mr. Kirti Anam jointly with Mrs. Kusum Anam	42,596			
	Mr. Himanshu Jain	31,947			
	Mr. Sanjay Banka	27,600			
	Mrs. Rashmi Anam jointly with Mrs. Rekha Anam	21,298			
	Mr. Vinit Anam jointly with Mrs. Minal Anam	21,298			
	Mr. Rahul Anam jointly with Mrs. Kavita Anam	21,298			
	Sanjay Banka (HUF)	21,298			

<sup>(1)</sup> Pursuant to Board Meeting held on October 30, 2017, our Company has allotted 28,88,846 Bonus Shares to all the shareholders of the Company in the ratio of 23:1 i.e. 23 equity shares for every 1 equity share held to the shareholders, by way of capitalization of Securities Premium Account and Free Reserves

f) Shareholding of our Promoter

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

Date of Allotment / Transfer	Nature of Transaction	Consideration	No. of Shares	F.V (₹)	Issue / Transfer Price (₹)	Cumulative no. of Shares	% of Pre-Issue Paid Up Capital	% of Post-Issue Paid Up Capital	Lock in Period
<b>Mrs. Namita Banka</b>									
On Incorporation	Subscription to MOA	Cash	5,100	10	10	5,100	-	-	N.A.

Date of Allotment / Transfer	Nature of Transaction	Consideration	No. of Shares	F.V (₹)	Issue / Transfer Price (₹)	Cumulative no. of Shares	% of Pre-Issue Paid Up Capital	% of Post-Issue Paid Up Capital	Lock in Period
December 15, 2012	Transfer	Cash	(100)	10	10	5,000	-	-	N.A.
December 15, 2012	Transfer	Cash	4,900	10	10	9,900	-	-	N.A.
February 16, 2013	Further Allotment	Other than Cash <sup>(1)</sup>	18,458	10	10	1,00,367	-	-	N.A.
			72,009				2.39%	1.75%	3 Years
February 19, 2013	Transfer	Cash	(28,358)	10	10	72,009	-	-	N.A.
September 03, 2013	Transfer	Cash	1,800	10	10	73,809	0.06%	0.04%	3 Years
February 15, 2014	Transfer	Other than Cash	2,778	10	Nil	76,587	0.09%	0.07%	3 Years
March 30, 2015	Further Allotment	Cash <sup>(2)</sup>	2,170	10	1,079	78,757	0.07%	0.05%	3 Years
October 30, 2017	Bonus Allotment	Other than Cash <sup>(3)</sup>	7,66,243	10	Nil	18,90,168	25.42%	18.62%	3 Years
			10,45,168				34.67%	25.40%	1 Year

<sup>(1)</sup> Pursuant to Board Meeting held on February 16, 2013, our Company has allotted 90,467 equity shares to Mrs. Namita Banka (Promoter of Proprietary concern – M/s Banka Enterprises) through a business acquisition agreement dated February 01, 2013.

<sup>(2)</sup> Pursuant to Board Meeting held on March 30, 2015, our Company has allotted 3,368 equity shares out of which 2,170 equity shares to Mrs. Namita Banka and 1,198 equity shares to Mr. Sanjay Banka.

<sup>(3)</sup> Pursuant to Board Meeting held on October 30, 2017, our Company has allotted 28,88,846 Bonus Shares to all the shareholders of the Company in the ratio of 23:1 i.e. 23 equity shares for every 1 equity share held to the shareholders, by way of capitalization of Securities Premium Account and Free Reserves

Notes:

- None of the shares belonging to our Promoter have been pledged till date.
  - The entire Promoter 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 “Capital Structure” on page no. 49 of this Draft Prospectus.
  - Our Promoter have confirmed to the Company and the Lead Manager that the Equity Shares held by our Promoter 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.
  - All the shares held by our Promoter, were fully paid-up on the respective dates of acquisition of such shares.
- g) 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 this Draft Prospectus
- 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) Promoter Contribution and other Lock-In details:

### i. Details of Promoter 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 Promoter shall be considered as promoter contribution (“**Promoter Contribution**”) and locked-in for a period of three years from the date of Allotment. The lock-in of the Promoter 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
Mrs. Namita Banka	8,45,000	20.54%
<b>Total</b>	<b>8,45,000</b>	<b>20.54%</b>

<sup>(1)</sup>For details on the date of Allotment of the above Equity Shares, the nature of Allotment, face value and the price at which they were acquired, please refer Note no. 1(f) under "Notes to Capital Structure" on page no. 50 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% Promoter Contribution are not subject to any pledge.
- Equity Shares for which specific written consent has not been obtained from the shareholders for inclusion of their subscription in the minimum Promoter Contribution subject to lock-in.

The minimum Promoter Contribution has been brought to the extent of not less than the specified minimum lot and from the persons defined as Promoter under the SEBI (ICDR) Regulations, 2009. The Promoter 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 Promoter 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 Promoter 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.
- Pursuant to Regulation 39 of the SEBI Regulations, the Equity Shares held by our Promoter 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 Draft Prospectus, none of the Equity Shares held by our Promoter have been pledged to any person, including banks and financial institutions.
- Pursuant to Regulation 40 of the SEBI (ICDR) Regulations, Equity Shares held by our Promoter, which are locked in as per Regulation 36 of the SEBI (ICDR) Regulations, may be transferred to and amongst our Promoter/ Promoter Group or to a new promoter or persons in control of our Company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as applicable.
- Pursuant to Regulation 40 of the SEBI (ICDR) Regulations, Equity Shares held by shareholders other than our Promoter, 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 Promoter Group

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

Category of Promoter	Pre Issue		Post Issue	
	No. of Shares	As a % of Pre-Issued Equity	No. of Shares	As a % of Issued Equity
<b>1. Promoter</b>				
Mr. Namita Banka	18,90,168	62.70%	18,90,168	45.94%
<b>2. Promoter Group (as defined by SEBI (ICDR) Regulations)</b>				
Mr. Vishal Murarka	4,68,696	15.55%	4,68,696	11.39%
Mr. Vineet Murarka	53,328	1.77%	53,328	1.30%
Mr. Sanjay Banka	28,800	0.96%	28,800	0.70%
Sanjay Banka (HUF)	22,224	0.74%	22,224	0.54%
<b>3. Other Persons, Firms or Companies whose shareholding is aggregated for the purpose of disclosing in the Draft Prospectus under the heading "Shareholding of the Promoter Group".</b>	-	-	-	-
<b>Total Promoter &amp; Promoter Group Holding</b>	<b>24,63,216</b>	<b>81.71%</b>	<b>24,63,216</b>	<b>59.87%</b>
<b>Total Paid up Capital</b>	<b>30,14,448</b>	<b>100.00%</b>	<b>41,14,448</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	Mrs. Namita Banka	18,90,168	62.70%
2	Mr. Vishal Murarka	4,68,696	15.55%
3	Mr. Akhilesh Tripathi	3,06,696	10.17%
4	Mr. Vineet Murarka	53,328	1.77%
5	Mr. Ranjeet Shah	50,040	1.66%
	Mr. Sundeep Shah	50,040	1.66%
6	Mr. Kirti Anam jointly with Mrs. Kusum Anam	44,448	1.47%
7	Mr. Himanshu Jain	33,336	1.11%
8	Mr. Sanjay Banka	28,800	0.96%
9	Mrs. Rashmi Anam jointly with Mrs. Rekha Anam	22,224	0.74%
	Mr. Vinit Anam jointly with Mrs. Minal Anam	22,224	0.74%
	Mr. Rahul Anam jointly with Mrs. Kavita Anam	22,224	0.74%
	Sanjay Banka (HUF)	22,224	0.74%
	<b>Total</b>	<b>30,14,448</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	Mrs. Namita Banka	18,90,168	62.70%
2	Mr. Vishal Murarka	4,68,696	15.55%
3	Mr. Akhilesh Tripathi	3,06,696	10.17%
4	Mr. Vineet Murarka	53,328	1.77%
5	Mr. Ranjeet Shah	50,040	1.66%
	Mr. Sundeep Shah	50,040	1.66%
6	Mr. Kirti Anam jointly with Mrs. Kusum Anam	44,448	1.47%

Sr. No.	Particulars	No. of Shares	% of Shares to Pre – Issue Share Capital
7	Mr. Himanshu Jain	33,336	1.11%
8	Mr. Sanjay Banka	28,800	0.96%
9	Mrs. Rashmi Anam jointly with Mrs. Rekha Anam	22,224	0.74%
	Mr. Vinit Anam jointly with Mrs. Minal Anam	22,224	0.74%
	Mr. Rahul Anam jointly with Mrs. Kavita Anam	22,224	0.74%
	Sanjay Banka (HUF)	22,224	0.74%
	<b>Total</b>	<b>30,14,448</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	Mrs. Namita Banka	78,757	62.70%
2	Mr. Vishal Murarka	19,529	15.55%
3	Mr. Akhilesh Tripathi	12,779	10.17%
4	Mr. Vineet Murarka	2,222	1.77%
5	Mr. Ranjeet Shah	2,085	1.66%
	Mr. Sundeep Shah	2,085	1.66%
6	Mr. Kirti Anam jointly with Mrs. Kusum Anam	1,852	1.47%
7	Mr. Himanshu Jain	1,389	1.11%
8	Mr. Sanjay Banka	1,200	0.96%
9	Mrs. Rashmi Anam jointly with Mrs. Rekha Anam	926	0.74%
	Mr. Vinit Anam jointly with Mrs. Minal Anam	926	0.74%
	Mr. Rahul Anam jointly with Mrs. Kavita Anam	926	0.74%
	Sanjay Banka (HUF)	926	0.74%
	<b>Total</b>	<b>1,25,602</b>	<b>100.00%</b>

- 5) Neither the Company, nor it's Promoter, 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. 114 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. 197 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 (4) 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) An over-subscription to the extent of 10% of the Fresh Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this 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.
- 10) 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
- 11) No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoter to the persons who receive allotments, if any, in this Issue.

- 12) As on date of this Draft Prospectus, there are no outstanding financial instruments or any other rights that would entitle the existing Promoter or shareholders or any other person any option to receive Equity Shares after the Issue.
- 13) There shall be only one denomination of Equity Shares of our Company unless otherwise permitted by law. Our Company shall comply with disclosure and accounting norms as may be specified by SEBI from time to time.
- 14) 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.
- 15) Except as disclosed in the 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.
- 16) We have not issued any Equity Shares out of revaluation reserves. We have not issued any Equity Shares for consideration other than cash except as stated in this Draft Prospectus.
- 17) 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.
- 18) Our Company shall ensure that transactions in the Equity Shares by our Promoter 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.
- 19) The Lead Manager and its associates do not directly or indirectly hold any shares of the Company.
- 20) Our Company has Thirteen (13) shareholders, as on the date of this Draft Prospectus.
- 21) Our Company has not revalued its assets and we do not have any revaluation reserves till date.
- 22) Our Company has not made any public issue (including any rights issue to the public) since its incorporation.

## 23) Shareholding pattern of our Company

The following is the shareholding pattern of the Company as on the date of this Draft Prospectus

Category (I)	Category of Share- holder (II)	No. of Share-holder (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares Underlying Depository Receipts (VI)	Total Nos. Shares held (VII) = (IV) + (V) + (VI)	Share holding as a % of total No. of Shares (calculated As per SCRR, 1957)(VIII)As a % of (A+B+C2)	Number of Voting Rights held in each Class of securities (IX)				No of Underlying Outstanding Convertible securities (incl. Warrants) (X)	Share Holding as a % assuming Full convertible securities (as a % of Diluted Share Capital)(XI)=(VII)+(X) As a % of (A+B+C2)	Number of Locked In shares (XII)		No. of shares Pledged Or Otherwise encumbered (XIII)		No. of Equity shares held in De-mat form (XIV)
								No of voting Right			Total As a %of(A+B+C)			No (a)	As a %of total shares held (b)	No (a)	As a % of total shares held (b)	
								Class-Equity	Class	Total								
(A)	Promoter & Promoter Group	5	24,63,216	-	-	24,63,216	81.71%	24,63,216	-	24,63,216	81.71%	-	81.71%	-	-	-	-	-
(B)	Public	8	5,51,232	-	-	5,51,232	18.29%	5,51,232	-	5,51,232	18.29%	-	18.29%	-	-	-	-	-
(C)	Non Promoter Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares Underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>13</b>	<b>30,14,448</b>	<b>-</b>	<b>-</b>	<b>30,14,448</b>	<b>100.00%</b>	<b>30,14,448</b>	<b>-</b>	<b>30,14,448</b>	<b>100.00%</b>	<b>-</b>	<b>100.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	

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

Sr. No.	Particulars	No. of Shares	% of Shares Pre-Issue Share Capital
1	Mr. Akhilesh Tripathi	3,06,696	10.17%
2	Mr. Ranjeet Shah	50,040	1.66%
3	Mr. Sundeep Shah	50,040	1.66%
4	Mr. Kirti Anam jointly with Mrs. Kusum Anam	44,448	1.47%
5	Mr. Himanshu Jain	33,336	1.11%
<b>Total</b>		<b>4,84,560</b>	<b>16.07%</b>



## SECTION IV – PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

The Objects of the Issue is to raise funds to:

- (a) Finance capital expenditures at existing Inoculum unit at Alair;
- (b) Finance capital expenditures at proposed new unit at Ibrahimpatnam;
- (c) Finance Working Capital Requirements;
- (d) General Corporate Purposes and;
- (e) Issue Related Expenses

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

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

### Issue Proceeds & Net Issue Proceeds

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

( ₹ in lakhs)		
Sr. No.	Particulars	Amount <sup>(1)</sup>
1	Gross Proceeds from the Issue	[●]
2	Issue related Expenses	[●]
	Net Proceeds from the Issue	[●]

<sup>(1)</sup> To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC.

### Requirement of Funds and Means of Finance

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

We intend to utilise the Net Proceeds of the Issue ("Net Proceeds") of ₹ [●] lakhs for financing the objects as below:

( ₹ in lakhs)		
Sr. No.	Particulars	Amount
1	Capital expenditures at existing Inoculum unit at Alair	75.21
2	Capital expenditures at proposed new unit at Ibrahimpatnam	99.79
3	Working Capital Requirement	797.88
4	General Corporate Purposes <sup>(1)</sup>	[●]
	Net Proceeds from the Issue	[●]

<sup>(1)</sup> To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC.

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 there under.

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.

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

## DETAILS OF THE FUND REQUIREMENTS

### 1. Capital expenditures at existing Inoculum unit at Alair

Our inoculation plant is in Aler, 75 km from Hyderabad. Initial seed material or the bacterial culture to start the inoculation was provided by the technology partner, DRDO. To this seed material, we add cow dung slurry and water every day to ensure proper inoculation and growth of the bacteria. All this is done based on the parameters and standards set by the DRDO. The inoculation quality is monitored and the data logged.

Considering the increased activities at our facilities at Alair, we propose to regularise the infrastructure at such site in order to better manage operation. Hence, we propose to construct a building on unutilised land forming part of our premises at Alair for the purpose of storage room, lab room, gober gas tank, hall and security room. The building is proposed to be constructed upon land forming part of the premises of our manufacturing facilities at Alair, with an aggregate built up area of 4,840 sq. yds.

The total cost towards construction work has been estimated based on the certificate dated November 10, 2017 from B. Suseel Kumar, Structural Engineers. The breakdown of the estimated expenses related to construction of building is as follows:

(₹ in lakhs)

Sr. No.	Particulars	Amount
1	Construction for Lab Room A/c Sheet	1.00
2	Construction for Store Room A/c Sheet	1.00
3	Construction for Gober Gas tank	0.55
4	Construction for Ground Floor and Second Floor	12.10
5	Construction for RCC Hall	11.55
6	Security Room	1.10
7	Compound wall with barbed wire safety with cement bricks	7.81
8	Construction for partition wall 2ft ht	0.50
9	WBM Road	25.34
10	2 gate	1.50
11	Construction for Toilets A/c Sheet	5.00
12	Cost of Electrification , Water connections and sanitary fitting	6.70
13.	Contingencies <sup>(1)</sup>	1.07
<b>TOTAL</b>		<b>75.21</b>

<sup>(1)</sup>Calculated based on internal estimates of our Company based on past experience and market trends.

### 2. Capital expenditures at proposed new unit at Ibrahimpatnam

We intend to set up an additional manufacturing facility unit at Ibrahimpatnam. We proposed to utilize an aggregate of ₹ 99.79 lakhs out of net proceeds.

The breakdown of the estimated expenses related to construction of new unit is as follows:

(₹ in lakhs)

Sr. No.	Particulars	Amount
1	Acquisition of Land	29.04
2	Shed	34.90
3	Plant and Machinery	35.85
<b>TOTAL</b>		<b>99.79</b>

### Acquisition of Land

We are intending to acquire an acre of land in Ibrahimpatnam at ₹ 29.04 lakhs (₹ 717.00 pe sq. ft.) from Telangana State Industrial Infrastructure Corporation. The Company had received a letter from Telangana & Andhra Composites Manufacturers Association dated August 17, 2016 mentioning the allotment of 1 acre of land to our Company

### Shed

We proposed to construct a Shed on the proposed land. We have received a quotation from Enertech Building Solutions Private Limited dated November 06, 2017 for an estimated cost of approximately ₹ 34.90 lakhs, the summary of which as follows

Sr. No.	Particulars	Qty Tons	Amount (₹ in lakhs)
1	Steel Structure and Components	32	30.80
2	Erection of Steel Structure and Components	32	4.10
<b>TOTAL</b>			<b>34.90</b>

### Plant and Machinery

We propose to utilise ₹ 35.85 lakhs towards purchase of plant and machinery which primarily includes Silicon Spray machine, Moulding machine, Lifting crane, Vacuum pump, Air compressor, among others. We are yet to place orders for plant and machinery. We have received a quotation from Epsilon Closed-mould Solutions dated August 24, 2017, the summary of which is as follows:

(₹ in lakhs)

Sr. No.	Particulars	Amount
1	AHC make Top gear VI Silicon Spray Machine	8.50
2	MVP make Light Resign Transfer Moulding Machine	14.00
3	Hydraulic medium size lifting crane for moulds	1.50
4	Veera make Vacuum Pump VC-342, with 200L Air Received tank & 5 HP Ele. Motor	0.85
5	1.5 HP 24 Lit Air Compressor with Moisture Filter	0.35
6	Resign Mixer with 1.5 Motor	0.18
7	Consultation & Testing charges	5.00
8	Taxes	5.47
<b>TOTAL</b>		<b>35.85</b>

### 3. Working capital requirement

We propose to utilise ₹ 797.88 lakhs from the Net Proceeds to fund the working capital requirements of our Company. Our business is working capital intensive and we fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals, share capital and financing from banks and financial institutions including non-banking finance companies by way of working capital facilities including short-term loans.

#### Estimation of Long term working capital requirement

Sr. No	Particulars	31.3.2017		31.3.2018		31.3.2019	
		Audited		Estimated		Estimated	
		Holding Period (in Days)	Amount (₹ in Lakhs)	Holding Period (in Days)	Amount (₹ in Lakhs)	Holding Period (in Days)	Amount (₹ in Lakhs)
<b>A.</b>	<b>Current Assets</b>						
	Inventories	42	72.44	107	287.47	110	482.41
	Receivables	161	637.19	120	621.03	120	1,042.60
	Other Current Assets		90.07		240.92		290.03
	<b>Total Current Assets</b>		<b>835.70</b>		<b>1,149.42</b>		<b>1,815.05</b>

Sr. No	Particulars	31.3.2017		31.3.2018		31.3.2019	
		Audited		Estimated		Estimated	
<b>B.</b>	<b>Current Liabilities</b>						
	Trade Payables	117	158.53	57	161.47	57	265.86
	Other Current Liabilities and Provisions		199.85		157.87		139.91
	<b>Total Current Liabilities</b>		<b>358.38</b>		<b>319.34</b>		<b>405.77</b>
<b>C.</b>	<b>Working Capital Gap (A-B)</b>		<b>477.32</b>		<b>830.34</b>		<b>1,409.28</b>
<b>D.</b>	<b>Funded by:</b>						
	<b>Fund-based working capital limited used/ estimated from bank</b>		<b>85.66</b>		<b>150.00</b>		<b>200.00</b>
<b>E.</b>	<b>Internal Accruals available for working capital</b>		<b>391.66</b>		<b>391.66</b>		<b>700.00</b>
<b>F.</b>	<b>Working Capital funding through IPO proceeds</b>		<b>-</b>		<b>288.60</b>		<b>509.28</b>

As per our estimates we would require ₹ 797.88 lakhs out of the issue proceeds to meet the working capital requirements.

#### *Justification of Holding Levels Estimated*

We have estimated future working capital requirements based on the following

Particulars	Justification
Inventory	We have estimated Inventory Turnover of 42 days in 2016-17 will be increased to 107 in 2017-18 and 110 in 2018-19. Our inventories are not significant and are expected to grow in line with the growth in our business.
Debtors	We have estimated Debtors Turnover of 120 days in 2017-18 and 2018-19 as compared to 161 days in 2016-17 levels with speedy recovery process and change in credit period policy.
Creditors	We have estimated Creditor Turnover of 57 days in 2017-18 and 2018-19 as compared to 117 days in 2016-17. We expect to prune our creditor days by infusing funds towards working capital from the net issue and get benefits of better pricing by offering faster payment terms.

#### **4. General Corporate Purposes**

We propose to deploy ₹ [●] lakhs, aggregating to [●]% of the Net Proceeds of the Issue towards general corporate purposes, including but not restricted to our working capital requirements, bank deposits, deposits for renting or otherwise acquiring business premises, margin money, acquiring business assets, to renovate and refurbish certain of our existing Company owned/leased and operated facilities or premises, general/ routine requirement of the Company, starting new products or services, obtaining new or enabling accreditations and licenses, investment in business venture, strategic alignment, strategic initiatives as per the objects of the Company, expansion into new geographies, investment in securities, brand building exercises, strengthening of our marketing capabilities, implementing enterprise resource planning tools and methodology, in our operations and other project related investments and commitments and execution capabilities in order to strengthen our operations.

Our management, in accordance with the policies of our Board, will have the flexibility in utilizing the proceeds earmarked for general corporate purposes.

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 ₹ [●] lakhs, which is [●]% of the total Issue Size. The details of the Issue Expenses are tabulated below:

Sr. No.	Particulars	Amount (₹ in lakhs)	% of Total Expenses	% of Total Issue size
1	Issue Management fees including fees and reimbursements of Market Making fees, selling commissions, and payment to other intermediaries such as Legal Advisors, Registrars and other out of pocket expenses.	[●]	[●]	[●]
2	Issue Brokerage	[●]	[●]	[●]
3	Printing & Stationery, Distribution, Postage, etc.	[●]	[●]	[●]
4	Advertisement and Marketing Expenses	[●]	[●]	[●]
5	Stock Exchange Fees, Regulatory and other Expenses	[●]	[●]	[●]
<b>Total</b>		[●]	[●]	[●]

- 1) The SCSBs and other intermediaries will be entitled to a commission of ₹ [●] per every valid Application Form submitted to them and uploaded on the electronic system of the Stock Exchange by them
- 2) The SCSBs would be entitled to processing fees of ₹ [●] per Application Form, for processing the Application Forms procured by other intermediaries and submitted to the SCSBs.
- 3) Further the SCSBs and other intermediaries will be entitled to selling commission of [●]% 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 (except as taken in normal course of business) from any bank or financial institution as on the date of this Draft Prospectus, which are proposed to be repaid from the Net Proceeds.

## Year wise Deployment of Funds / Schedule of Implementation

The entire Issue Proceeds of the Fresh Issue are proposed to be deployed in the Financial Year 2017 – 18. Further, we intend to begin procurement and other advance deposits etc. For working capital plans/ requirement of F.Y. 2018 – 19 in the last quarter of F.Y. 2017 – 18 itself. The unutilised monies if any would be kept in deposits with scheduled commercial banks included in schedule II of the RBI Act as per requirements.

## 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.

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.

---

**Interim Use of Funds**

Pending utilization of the Net Proceeds of the Fresh 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 Fresh 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 Promoter or controlling Shareholders will be required to provide an exit opportunity to such dissenting Shareholders, at a price as may be prescribed by SEBI, in this regard.

**Other Confirmations**

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



## BASIC TERMS OF THE 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 15, 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 with a shorter notice on November 16, 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 ₹ [●] each.
<b>Market Lot and Trading Lot</b>	The Market lot and Trading lot for the Equity Share is [●] and in multiples of [●] thereafter; subject to a minimum allotment of [●] Equity Shares to the successful applicants.
<b>Terms of Payment</b>	Applications should be for a minimum of [●] equity shares and in multiples of [●] equity shares thereafter. The entire Issue Price of the equity shares of ₹ [●] per share 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 and Articles of Association of the Company and shall rank <i>pari - passu</i> in all respects including dividends with the existing Equity Shares of the Company. The allottees will be entitled to dividend, voting rights or any other corporate benefits, if any, declared by us after the date of Allotment.

### 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.

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

## BASIS FOR 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 ₹ [●] per Equity Shares and is [●] 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, 133 and 83 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:

- ✓ Pioneers in Bio-digester Technology Application and Development for Commercialization
- ✓ All-round Expertise and Capability
- ✓ Consistent and Standardised Product Quality
- ✓ Experienced & Qualified Team
- ✓ Economical & Affordable product
- ✓ Environmentally-friendly and Sustainable System
- ✓ Strong Client Base

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) Earnings per Share (EPS)

Year ended March 31,	Basic & Diluted EPS (in ₹)	Weight
2017	3.84	3
2016	1.06	2
2015	0.27	1
<b>Weighted Average</b>	<b>2.32</b>	

Basic and diluted EPS for the three months ended June 30, 2017 was ₹ 0.41

#### 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.

#### 2) Price Earnings Ratio (P/E) in relation to the Issue price of ₹ [●] per share of ₹ 10 each

Particulars	P/E Ratios
P/E ratio based on basic and diluted EPS as at March 31, 2017	[●]
P/E ratio based on basic and diluted weighted average EPS as at March 31, 2017	[●]

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

Year ended March 31	RoNW (%)	Weight
2017	29.10%	3
2016	11.30%	2
2015	3.02%	1
<b>Weighted Average</b>	<b>18.82%</b>	

RoNW for the three months period ended June 30, 2017 was 2.99%

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

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

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

### 5) Net Asset Value (NAV)

Financial Year	NAV (in ₹)
NAV as at June 30, 2017	326.28
NAV as at March 31, 2017	316.51
NAV after Issue	[●]
Issue Price	[●]

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

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

### 6) Comparison with Industry peers

We believe that there is no other listed company which is specifically comparable to us w.r.t our business model, size and financials.

### 7) The Company in consultation with the Lead Manager believes that the issue price of ₹ [●] 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 [●] times of the face value i.e. ₹ [●] per share.

## STATEMENT OF SPECIAL TAX BENEFITS

To,  
The Board of Directors,  
**Banka BioLoo Limited**,  
Plot no 11-4-651,  
A – 109, Express Apartment,  
Lakdi Ka Pool,  
Hyderabad – 500 004

Dear Sir,

### **Sub: Statement of possible Tax benefits available to the Company and its shareholders on proposed Public Issue of Shares under the existing tax laws**

We hereby confirm that the enclosed annexure, prepared by the Management of **Banka BioLoo Limited** ('the Company'), states the possible Tax benefits available to the Company and the shareholders of the Company under the Income - Tax Act, 1961 ('Act'), presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on business imperatives which the Company may face in the future, the Company may or may not fulfil.

The benefits discussed in the enclosed statement are not exhaustive. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. A shareholder is advised to consult his / her / its own tax consultant, with respect to the tax implications arising out of his/ her / its' participation in the proposed issue, particularly in view of ever changing tax laws in India.

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

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

The contents of this annexure are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and the provisions of the tax laws. The same shall be subject to notes annexed.

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

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

**For PRSV & Co. LLP,**  
Chartered Accountants  
Firm Registration No.S-200016

Mr. Y. Venkateswarlu  
Partner  
Membership No.222068

Place: Hyderabad  
Date: November 17, 2017.

**ANNEXURE TO THE STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO BANKA BIOLOO LIMITED AND ITS SHAREHOLDERS**

Outlined below are the possible benefits available to the Company and its shareholders under the current direct tax laws in India.

**BENEFITS TO THE COMPANY UNDER THE INCOME TAX ACT, 1961 (THE “ACT”)**

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

NIL

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

NIL

**Note:**

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.
3. No assurance is given that the revenue authorities / courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment, except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

**For PRSV & Co. LLP,**  
Chartered Accountants  
Firm Registration No.S-200016

Mr. Y. Venkateswarlu  
Partner  
Membership No.222068

Place: Hyderabad  
Date: November 17, 2017.

## SECTION V – ABOUT THE ISSUER COMPANY

### INDUSTRY OVERVIEW

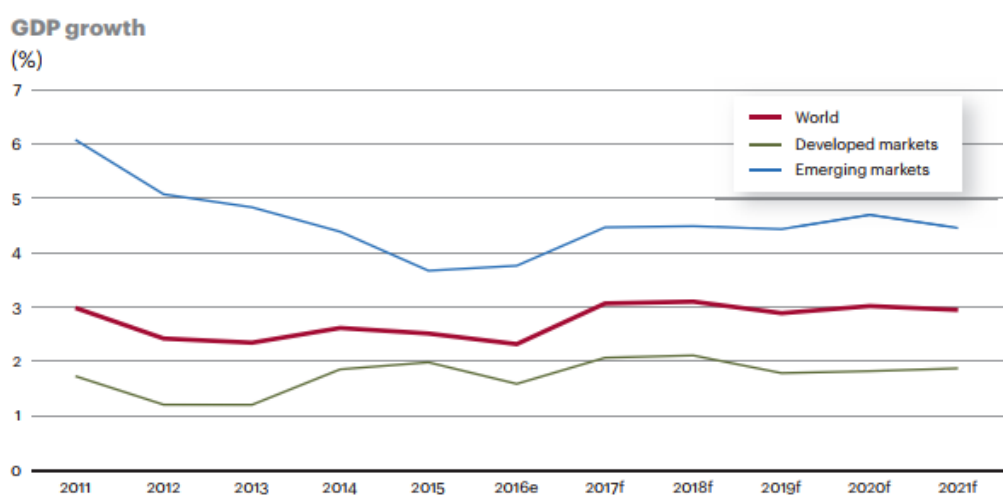
*The information in this chapter has been extracted from the websites and publicly available documents from various sources. The data may have been re-classified by us for the purpose of presentation. Neither we nor any other person connected with this Offer has independently verified the information 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-purchasing-chessboard/article/-/asset\\_publisher/9AutfSQfJm6Y/content/global-economic-outlook-2017-2021-the-all-too-visible-hand/236833](https://www.atkearney.com/web/the-purchasing-chessboard/article/-/asset_publisher/9AutfSQfJm6Y/content/global-economic-outlook-2017-2021-the-all-too-visible-hand/236833))



## Indian Economy Overview

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

However, investing more in physical and social infrastructure is critical to raising living standards for all. This should be financed by a comprehensive reform of income and property taxes. Restoring credit discipline and cleaning up banks' balance sheets will be instrumental to support the credit growth needed to finance more business investment. Trade openness has increased, partly driven by a competitive service sector. Manufacturing has lagged behind, with limited contribution to exports and job creation, leaving many workers in low-paid jobs. Promoting quality job creation in manufacturing would require reducing further restrictions on FDI and trade, modernising labour regulations and providing better education and skills. Better infrastructure, transport and 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 utilisation, coupled with the rebound in industrial production for capital goods and manufacturing indices, bodes well for a gradual revival of private investment. The implementation of the GST, by lowering the price of capital goods, and the cut in the corporate income tax rate should also support Investment.

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

## OVERVIEW OF GLOBAL SANITATION

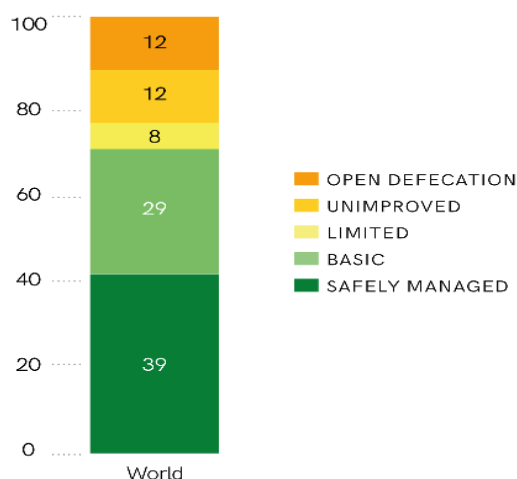
The topic of toilets often makes people uncomfortable but a reluctance to talk about sanitation is part of the reason why an estimated 2.4 billion people worldwide remain without proper facilities. This means they lack protection against preventable diseases that claim the lives of thousands daily, primarily children.

Children are especially, vulnerable to diseases caused by the lack of proper sanitation. Poor sanitation, hygiene and unsafe water claim the lives of an estimated over 1.5 million children under the age of five every year.

It is estimated that improved sanitation facilities could reduce diarrhea-related morbidity in young children by more than one-third. If hygiene promotion is added, such as teaching proper hand washing, it could be reduced by two-thirds. It would also help accelerate economic and social development in countries where poor sanitation is a major cause of lost work and school days because of illness.

Millions of people – especially the poor in developing countries - are forced to defecate in bags, buckets, fields or roadside ditches, causing serious health risks to them and others. Progress requires broad cooperation through public and private partnerships, community involvement and public awareness.

(Source: [https://www.unicef.org/media/media\\_39569.html](https://www.unicef.org/media/media_39569.html))



In 2015 two out of five people used safely managed sanitation services

Universal access to adequate sanitation is a fundamental need and human right. Securing access for all would go a long way in reducing illness and death, especially among children. Since 2000, 1.4 billion people have gained access to basic sanitation, such as flush toilets or latrine with a slab, which are not shared with other households. As of 2015, 2.3 billion people still lacked a basic sanitation service and among them almost 892 million people still practised open defecation. The data reveal pronounced disparities, with the poorest and those living in rural areas least likely to use a basic service.

“Safely managed” sanitation services represent a higher service level that takes into account the final disposal of excreta. In 2015, 2.9 billion people used a “safely managed” sanitation service, i.e. a basic facility where excreta are disposed in situ or treated off-site. A further 2 billion people used a “basic” service, i.e. an improved facility that is not shared with other households. There are 600 million who shared improved sanitation facilities with other households count as a “limited” service.

(Source: <https://data.unicef.org/topic/water-and-sanitation/sanitation/>)

### Sanitation is a human right

In 2010, the United Nations General Assembly and the Human Rights Council recognized clean drinking water and safe sanitation to be a human right essential to the full enjoyment of life and all other human rights.

Declaring that access to sanitation and water is a human right constitutes an important step towards making it a reality for everyone. It means that:

- Access to basic sanitation and safe water is an entitlement, rather than a commodity or a service provided on a charitable basis.
- Progress on access to basic sanitation must be accelerated.
- Efforts should focus on those least served, including the hardest to reach and the most vulnerable.
- Communities and vulnerable groups need to be empowered and engaged in decision- making processes.
- The means and mechanisms available within the United Nations human rights system should be used to monitor nations' progress towards realizing the right to water and sanitation, and to hold governments accountable.

(Source: [http://www.un.org/waterforlifedecade/pdf/human\\_right\\_to\\_water\\_and\\_sanitation\\_media\\_brief.pdf](http://www.un.org/waterforlifedecade/pdf/human_right_to_water_and_sanitation_media_brief.pdf))

## Sanitation Economy

The Sanitation Economy presents vast potential for global economic growth while addressing one of the most urgent grand challenges of our time, achieving universal access to improved safely-managed sanitation (SDG 6). It monetizes toilet provision, products and services, biological resources, data and information to provide benefits across the economy and society.

The Sanitation Economy offers new ways of looking at sanitation systems: as a solution provider for sectors and governments facing constraints on essential resources such as water, nutrients, energy and proteins; as a reservoir of information about human health and behaviour; and as a test bed for innovation and new technologies that reinvent the toilet and its ecosystems.

This is the biggest opportunity in a century to transform sanitation systems into a smart, sustainable and revenue generating economy. By accelerating the Sanitation Economy, we can create a robust marketplace of new market opportunity that has been virtually untapped. We can do this while improving lives of the 2.3 billion currently without toilets, and ensuring the capture, safe treatment and use of 3.8 trillion litres (500 Lpp/a x 7.6 billion global population 2017) of toilet resources which is currently lost and untreated; and by leveraging smart technologies to drive efficiency in sanitation systems, while capturing extensive amounts of data to inform business, policy, and health decision making.

There is an opportunity now for business leaders to adopt the SANITATION ECONOMY as a new business imperative to ensure sustainable growth into the future.



By accelerating the Sanitation Economy, businesses can capture significant benefits:

1. Access to the growing emerging market customer base (2.3 billion people without access to basic sanitation. 61% of the population without improved sanitation including waste management).
2. Competitive advantage and innovation, creating smart, sustainable sanitation systems for the future.
3. Contribution to sustainability targets - addressing resource loss and efficiencies, climate change and zero waste policies.

4. Reducing costs and accessing new resources through the Circular Sanitation Economy – valuing sanitation waste as “Toilet Resources” and generating new revenue from valuable products derived from Toilet Resources such as energy and fuel, nutrients, proteins, water, information and more.
5. Access to new data and information for operational decision-making and potentially new market opportunities by leveraging the mobile, digital, big data and smart megatrends for sanitation.

To realise these benefits strong and visionary business leadership is needed to disrupt current sanitation lock-ins and to lead the way through the transition phase with policy makers simultaneously setting the direction and creating the right enabling conditions. Other organisations can play important roles including facilitating and participating in collaborative initiatives to unlock the business opportunity of the decade.

(Source: [http://www.toiletboard.org/media/30-Sanitation\\_Economy\\_Final.pdf](http://www.toiletboard.org/media/30-Sanitation_Economy_Final.pdf))

## Transforming our world: the 2030 Agenda for Sustainable Development

In September 2015, the United Nations launched the Sustainable Development Goals (SDGs) to 2030. Follow on to the Millennium Development Goals 2000-2015, which sought to halve world poverty in that time. The new SDGs pledge that no one will be left behind with 17 Sustainable Development Goals and 169 targets to achieve global sustainable development.

### SDG 6.2:

By 2030, achieve access to adequate and equitable sanitation and hygiene for all and end open defecation, paying special attention to the needs of women and girls and those in vulnerable situations.

(Source: <https://sustainabledevelopment.un.org/post2015/transformingourworld>)



(Source: [http://www.toiletboard.org/media/30-Sanitation\\_Economy\\_Final.pdf](http://www.toiletboard.org/media/30-Sanitation_Economy_Final.pdf))

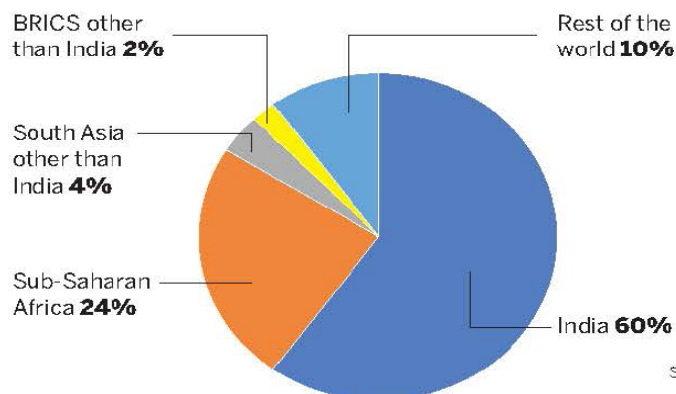
## INDIAN SANITATION

Sanitation is defined as the prevention of human contact with feces and the proper treatment and disposal of wastewater. While India is home to 17.5% of the world population, close to 60% of the number of people globally who do not have toilets and defecate in the open, live in India.



**Figure 1:**

Open defecation in India compared to other countries/regions of the world (%)



Source: WHO-UNICEF Joint Monitoring Program, 2015

Swachh Bharat Mission (SBM) was launched by the Government of India on October 02, 2014 as a national development priority and a flagship programme. The Ministry of Drinking water and Sanitation and the Ministry of Urban Development are the nodal ministries of Central Government for implementing the programme. The objective is to improve the quality of life in India by eliminating open defecation by October 2019, as a tribute to Mahatma Gandhi on his 150th birth anniversary. This is an ambitious target because attitudes towards sanitation are deeply embedded, and changing them is challenging. As per census of India, 2011, 67% of the rural households did not have toilets and were defecating in the open.

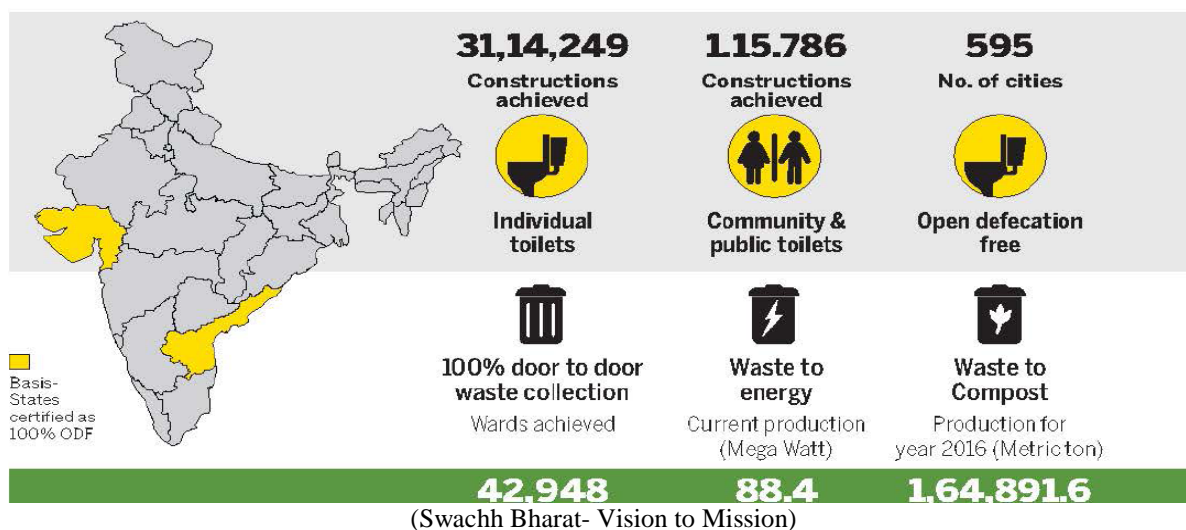
The programme aims to construct 111 million toilets at the cost of ₹ 1,36,000 crore by October 2019. The following gives the progress in sanitation coverage for past five years.

**Figure 2:**

Progress of rural sanitation in terms of coverage (%)



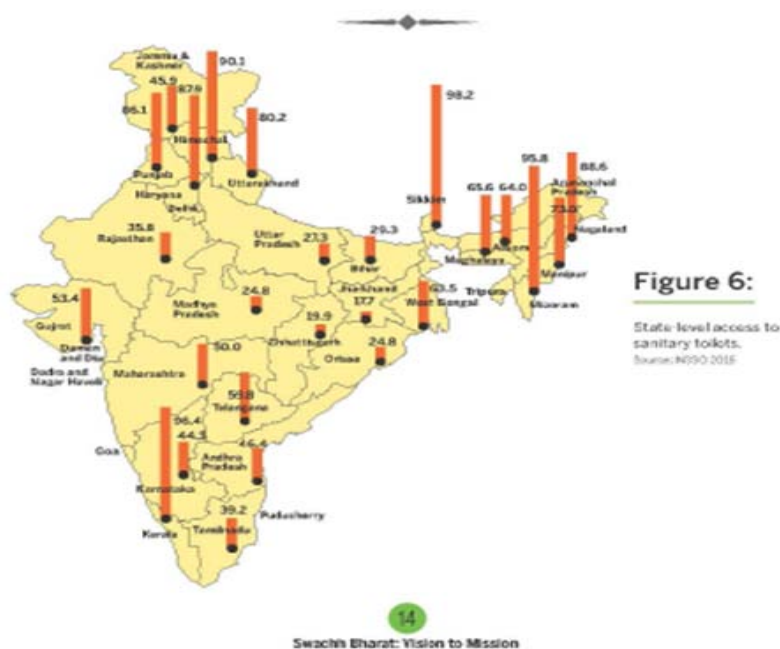
The programme up till now has managed to not only cover rural areas but also the urban areas. The Swachh Bharat Mission (U) has had the following progress-



Proper sanitation protects people from hazards that may be microbiological, biological or chemical agents of disease. Sanitation includes prevention that involves large-scale engineering solutions such as maintaining sewer pipes, sewage treatment, surface runoff management, solid waste management, excreta (or fecal sludge) management. Sanitation is also related to the selection of toilets, as some are easier to keep clean than others. Providing sanitation to people requires a systematic approach, rather than only focusing on the toilet or waste water treatment plant alone.

The main objective of a sanitation system is to protect and promote human health by providing a clean environment that will break the cycle of disease. For example, improving access to safe sanitation and changing hygiene behaviors can reduce the incidents of diarrhea, which is the leading cause of deaths in children under 5. One of the main challenges of sanitation is sustainability, especially in developing countries. Maintaining and sustaining sanitation has aspects that are technological, institutional and social in nature. Good governance is required to manage sanitation properly, in order to serve the growing world population. Urban settlements are becoming bigger and bigger. Sanitation infrastructure has to be adapted to several specific contexts including consumers' expectations and local resources available.

The National Sample Survey – 2015 ranked 26 states of India based on the percentage of households having access to sanitary toilets and using them. Sikkim has the highest percentage with 98.2% and Jharkhand has the lowest 17.7%.



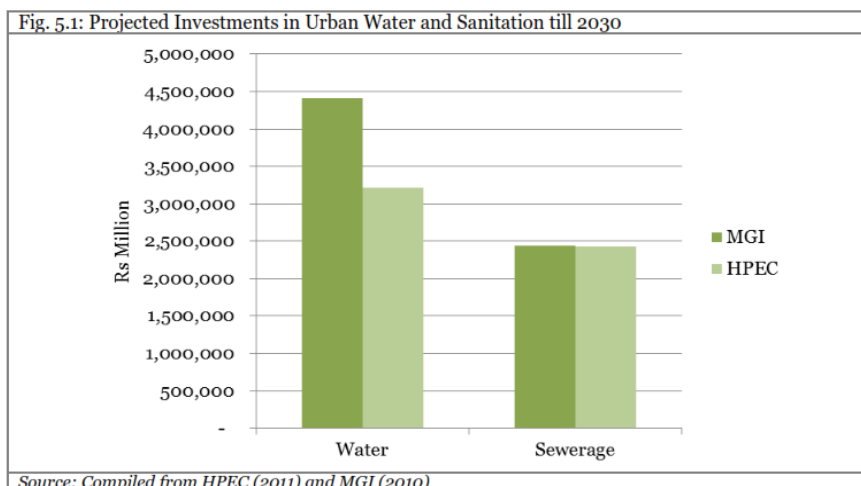
(Source: SWACHH BHARAT: Vision to Mission [http://indiasanitationcoalition.org/iscrepository/isc\\_StudiesReports](http://indiasanitationcoalition.org/iscrepository/isc_StudiesReports))

## Sanitation Industry

The seriousness of the challenges associated with urban water supply and sanitation in India have been recognised in recent times. After decades of neglect, the first national effort to invest in the urban water and sanitation sector commenced in the 1970s, but was accorded considerable priority in the subsequent two decades as a part of different national- and state- level schemes, culminating most recently in the 'Swachh Bharat Mission'.

In addition to a large percentage of households not having access to piped water supply, a large percentage of households do not have access to water within the house. The distribution of households according to the distance between water source and houses. Nearly two-thirds of the households do not have access to water within the house, and 8 per cent of households need to fetch water from more than 100 metres away from their households. Monitor Deloitte has estimated that the demand for rural toilets in India could be worth INR 500-700 billion (US\$ 10-14 billion), with an INR 300-450 billion (US\$ 6-9 billion) financing opportunity. There are two main types of business models to deliver rural toilets: the Do It Yourself (DIY) model and a Turnkey Solution Provider (TSP) model. Both models require a central player or 'market maker' to conduct market-building activities to get the models started. Organisations such as NGOs, microfinance institutions (MFIs) and cement companies can play this role, while the Government has a key role in facilitating the development of the sanitation market.





The estimates for the investments depend on a number of factors, and certain assumptions have been made about each of these. The most critical of these factors include:

1. Population Estimates for Urban India
2. Estimates for Infrastructure Deficit
3. Type of Technology/System and related per unit costs
4. Selective Inclusion of Costs

No.	Indicator	Unit	Benchmark	Median	Average
1	Coverage of Connections	%	100	53	50.2
2	Per Capita Supply	Lpcd	135	69	69.2
3	Metering of Connections	%	100	0	13.3
4	Non-Revenue Water	%	20	29	32.9
5	Continuity of Supply	Hours	24	2	3.1
6	Quality and Treatment	%	100	94	81.7

Source: MoUD (2010)

(Source: [http://iihs.co.in/knowledge-gateway/wp-content/uploads/2015/08/RF-WATSAN\\_reduced\\_sized.pdf](http://iihs.co.in/knowledge-gateway/wp-content/uploads/2015/08/RF-WATSAN_reduced_sized.pdf))

## Market Size

According to the 2011 Indian Census, 69% of India's 240 million households had no latrine of their own. However, in Kerala in the south-west, only 7% of its five million households lacked a latrine (*Census of India*, Kerala, 2011). In the vast northern state of Uttar Pradesh (UP), on the other hand, 64% of 33 million households did not have a latrine on the premises (*Census of India*, Uttar Pradesh 2011). Infant mortality in recent years has been about 15 deaths per thousand live births in Kerala and more than 70 per thousand in UP (Sharma 2008: 27). In 2004, only 59% of the world population had access to any type of improved sanitation facility. In other words, 4 out of 10 people around the world have no access to improved sanitation. They are forced to defecate in the open or use unsanitary facilities, with a serious risk of exposure to sanitation-related diseases. While sanitation coverage has increased from 49% in 1990, a huge effort needs to be made quickly to expand coverage to the MDG target level of 75%. Investing in sanitation infrastructure involves a long project cycle.

(Source: <http://www.epw.in/journal/2014/49/notes/open-defecation-india.html>)

**Table 3.1: Access to Improved Urban Water Supply (MDG and Census of India)**

Year	Popn. India '000	% Urban Popn.	Total Improved	Piped	Other Improved	Unimproved
1990	862	26%	<b>90%</b>	52%	38%	10%
2000	1042	28%	<b>93%</b>	50%	43%	7%
2008	1181	29%	<b>96%</b>	48%	48%	4%
2011	1210	31%	<b>84%</b>	62%	2%	16%

*Source: JMP, Census, 2001, Census 2011*

(Source: [http://iihs.co.in/knowledge-gateway/wp-content/uploads/2015/08/RF-WATSAN\\_reduced\\_sized.pdf](http://iihs.co.in/knowledge-gateway/wp-content/uploads/2015/08/RF-WATSAN_reduced_sized.pdf))

Lack of proper sanitation causes over 2.7 million deaths across the world annually. It also, is a contributory factor for diarrhoea which kills 800,000 children a year. A good number of these deaths occur in India where 64 per cent of rural households do not have toilets, and as a result, close to 600 million people defecate in the open, though things are changing under the SBM.

The former governments attempted to tackle the problem through the Nirmal Bharat Abhiyan, which subsidised rural toilet construction. Over the years, it has allocated around ₹ 20,000 crore. But according to a white paper published by Monitor Deloitte - part of the global management consultant DeloitteTouche Tohmatsu - only 60 per cent of these funds have actually been used. Worse, a good number of the toilets said to have been built under the programme either do not exist or are not in use.

(Source: <http://www.businesstoday.in/sectors/infra/sanitation-public-toilets-for-poor-in-india-business-earning/story/203075.html>)

### **Role of Corporate Social Responsibility**

The corporate sector is well suited to service low-income markets because of their knowledge and understanding of the needs of the communities. Moreover since 'health' is one of the top priorities under the wider umbrella of CSR, corporate houses, through their CSR initiatives, have been working in this sector for some time to support the movement towards sanitation in India. With the launch of the Swachh Bharat Mission, a deeper commitment emerged from the corporate sector towards supporting the Government in achieving these sanitation objectives.

How companies can help through CSR:

#### **1. Infrastructure management**

- Build toilets with long- term maintenance plans ensuring provision of waste management
- Considering a large proportion of toilets now lie defunct, partnerships with NGOs and government bodies can be developed for maintenance of existing infrastructure
- Adopt villages or toilet complexes for maintenance
- Invest in other sanitation infrastructure such as human waste management systems and incinerators for used sanitary napkins
- Explore opportunities for Public-Private Partnership; companies should come together to make the execution of large projects smoother
- Contribute to Swachh Bharat Kosh
- Introduce these changes in cities as well; sanitation problems are not restricted to rural India

#### **2. Behavioural changes**

- Educate people on the harm caused by open defecation and on the importance of washing hands, using SHGs and field staff as instruments of change
- Make open defecation socially unacceptable
- Encourage people to develop a sense of ownership for the infrastructure they use; train them to use and maintain it

- Take the message to children in school; they are among the biggest motivators for the construction of household toilets
- Involve school children actively through participation in monitoring committees
- Involve celebrities and major public platforms to disseminate the message
- Use marketing tools such as leaflets, wall painting, posters and social media

### 3. Research

- Study the correlation between open defecation and disease
- Examine why some states/developing countries are performing better than others.
- Monitoring, impact assessment and reporting are valuable ways through which the corporate sector can help judge the effectiveness of existing and new measures to improve sanitation
- Encourage innovation; solicit and support new ideas to implement sanitation measures suited to particular geographies

(Source: <http://www.ennovent.com/?s=role+of+CSR+in+India+sanitation+challenge>)

### **Water Supply and Sanitation: Key Challenges and Emerging Policy Priorities**

Universal access to both water and sanitation still remains an issue in urban India. As illustrated, the mere presence of infrastructure is no indicator of service levels. While 40 per cent do not have access to public piped water supply, the remaining households may not get sufficient quantity of water, or regular water supply. In the absence of public service, households depend on multiple sources of water - procuring water from private players or some form of provisioning. In addition, nearly one-third of urban households do not have any water source within their premises, and nearly a third depend on shared facilities. Water quality is likely to be a concern. At the city level, the biggest concern remains the high distribution losses, and high non-revenue water.

Wherever humans gather, their waste also accumulates. Progress in sanitation and improved hygiene has greatly improved health, but many people still have no adequate means of disposing of their waste. This is a growing nuisance for heavily populated areas, carrying the risk of infectious diseases, particularly to vulnerable groups such as the very young, the elderly and people suffering from diseases that lower their resistance. Poorly controlled waste also means daily exposure to an unpleasant environment. The buildup of faecal contamination in rivers and other waters is not just a human risk: other species are affected too, threatening the ecological balance of the environment.

Human excreta have been implicated in the transmission of many infectious diseases including cholera, typhoid, infectious hepatitis, polio, cryptosporidiosis, and ascariasis. WHO (2004) estimates that about 1.8 million people die annually from diarrhoeal diseases where 90% are children under five, mostly in developing countries.

Poor sanitation gives many infections the ideal opportunity to spread: plenty of waste and excreta for the flies to breed on, and unsafe water to drink, wash with or swim in. Among human parasitic diseases, schistosomiasis (sometimes called bilharziasis) ranks second behind malaria in terms of socio-economic and public health importance in tropical and subtropical areas. The disease is endemic in 74 developing countries, infecting more than 200 million people. Of these, 20 million suffer severe consequences from the disease.

(Source: <http://www.venturecenter.co.in/campaigns/sanitation/wp-content/uploads/2015/08/10Things.pdf>)



(Source: [http://drs.jk.gov.in/pdf/tech\\_4.pdf](http://drs.jk.gov.in/pdf/tech_4.pdf))

### Distance of Water Source from Premises

#### Water Quality

One of the biggest concerns at the household level remains that of water contamination, and the consequent impact on health. There are multiple routes of transmission of pathogens, and hence contamination. First, the public source of water itself might have been rendered 'unsafe' by the time it reaches the household. There is newspaper reportage which highlighted water contamination in the public supply systems, caused by leaking pipes.

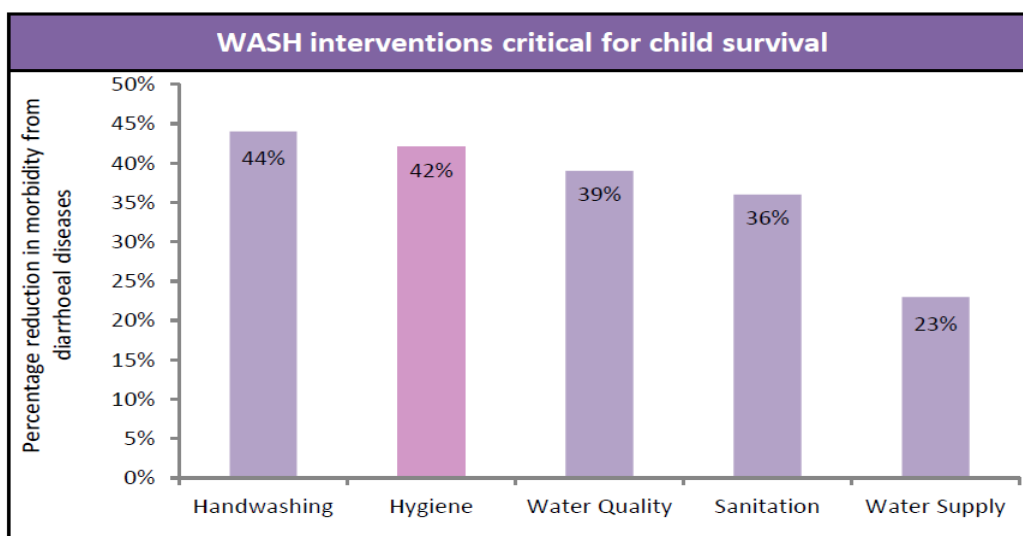
Second, the water supplied by private players might be contaminated - this is the area on which there is least information. Finally, a large number of households are directly dependent on groundwater, and there is evidence to prove that groundwater aquifers in Indian cities are polluted.

#### Depleting Ground Water Aquifers

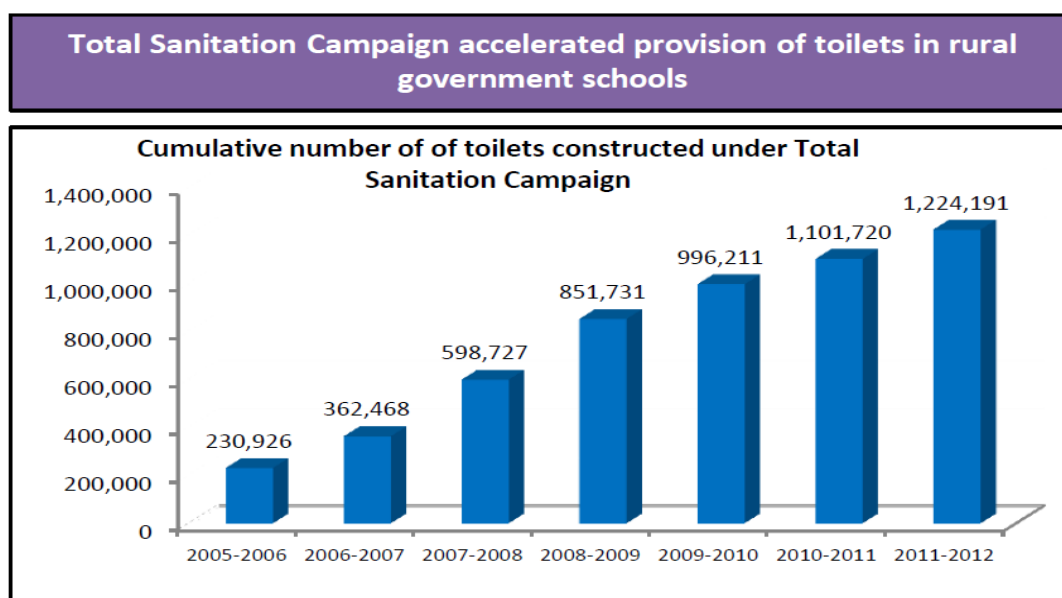
While urban India is highly dependent on groundwater, the extent and nature of this dependence is poorly understood. Urban households access groundwater through three primary means: a) public supply by urban local bodies or other parastatal agencies which may be completely or partially dependent on groundwater, b) private supply from shallow wells or bore wells within or near premises of use, and c) semiformal and informal trading of groundwater.

Apart from households and private markets, public utilities often depend on groundwater. Sometimes, the urban local bodies depend on groundwater in the absence of a viable surface water source. However, many urban local bodies also tend to rely on groundwater for public supply even when surface water resources are available because of the lower capital investments required and the ease of scaling up supply to meet gradual growth in demand (World Bank, 2010)

(Source: [http://iihs.co.in/knowledge-gateway/wp-content/uploads/2015/08/RF-WATSAN\\_reduced\\_sized.pdf](http://iihs.co.in/knowledge-gateway/wp-content/uploads/2015/08/RF-WATSAN_reduced_sized.pdf))



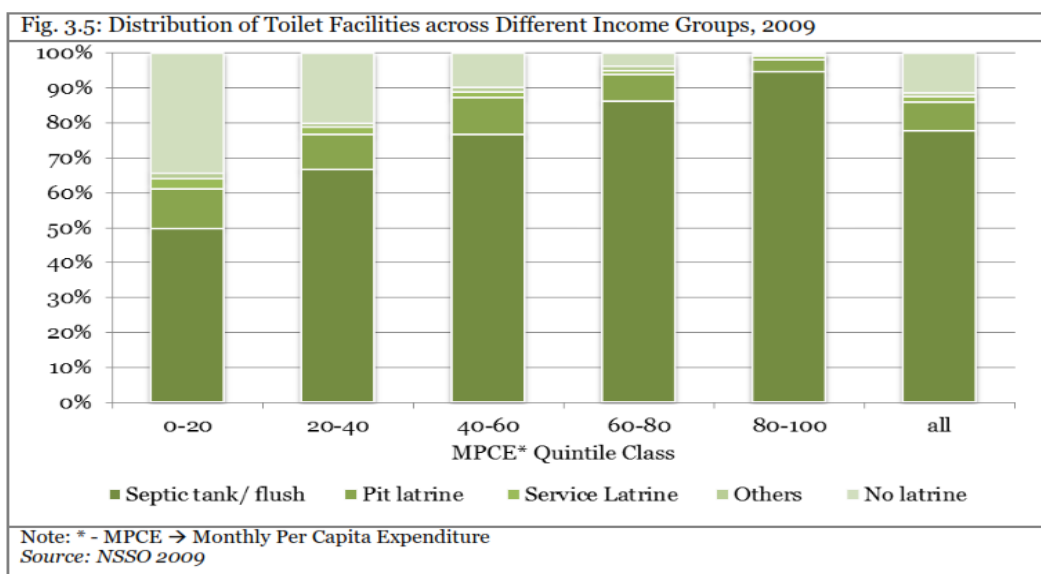
### Government Initiative



(Source:

<http://www.dise.in/Downloads/best%20practices/An%20overview%20of%20status%20of%20drinking%20water%20and%20sanitation%20in%20schools%20in%20India.pdf>)

There is wide discrepancy between collection of revenues and cost of operations. On the water supply side, the cost of operations, on average, works out to be - ₹15 per kilolitre, 10 times higher than the average tariff (WSP, 2011). A minority of customers in cities such as Chennai and Bangalore pay rates comparable to operating costs. The concerns for raising tariffs need to be balanced by the need to protect the interests of the urban poor. Often IBT is proposed as a solution, where lifeline water is provided at free/highly subsidised rates, after which the tariffs rise sharply. The purpose of IBT is to ensure that richer households that consume more water pay a higher rate.



(Source: [http://iihs.co.in/knowledge-gateway/wp-content/uploads/2015/08/RF-WATSAN\\_reduced\\_sized.pdf](http://iihs.co.in/knowledge-gateway/wp-content/uploads/2015/08/RF-WATSAN_reduced_sized.pdf))

### Human impact

- Open defecation is one of the main causes of diarrhoea, which results in the deaths of more than 750,000 children under age 5 every year.
- Each year, children lose 272 million school days due to diarrhoea.
- Each day about 3,000 children under age 5 die as a result of diarrhoea, most before their second birthday.

(Source: [www.sanitationdrive2015.org](http://www.sanitationdrive2015.org))

### Road Ahead

The on-site sanitation systems are mostly constructed by households, who do not necessarily have the knowledge or resources to build these according to requisite standards. For example, the minimum distance of soak-pits from the drinking water source may not be maintained. Similarly the soak-pits necessary to drain effluents from septic tanks might be missing. Often, on-site systems suffer from poor design and poor workmanship. While there are significant differences between cities and states in general, there are limited facilities for safe emptying of pits or de-sludging of septic tanks. While some urban local bodies provide these services, a majority of households enlist the services of sweepers to manually empty the pits and tanks or private mechanical emptiers (WSP, 2008). There are very few treatment facilities for fecal sludge; most of the existing treatment involves co-treatment at conventional STPs.

In general, there is little information about the performance of on-site systems, and it is not possible to estimate the quantum of fecal sludge that is safely transported and treated. It has also been a poorly regulated area, with no monitoring of either the utilities or the private players.

(Source: [http://iihs.co.in/knowledge-gateway/wp-content/uploads/2015/08/RF-WATSAN\\_reduced\\_sized.pdf](http://iihs.co.in/knowledge-gateway/wp-content/uploads/2015/08/RF-WATSAN_reduced_sized.pdf))



## OUR BUSINESS

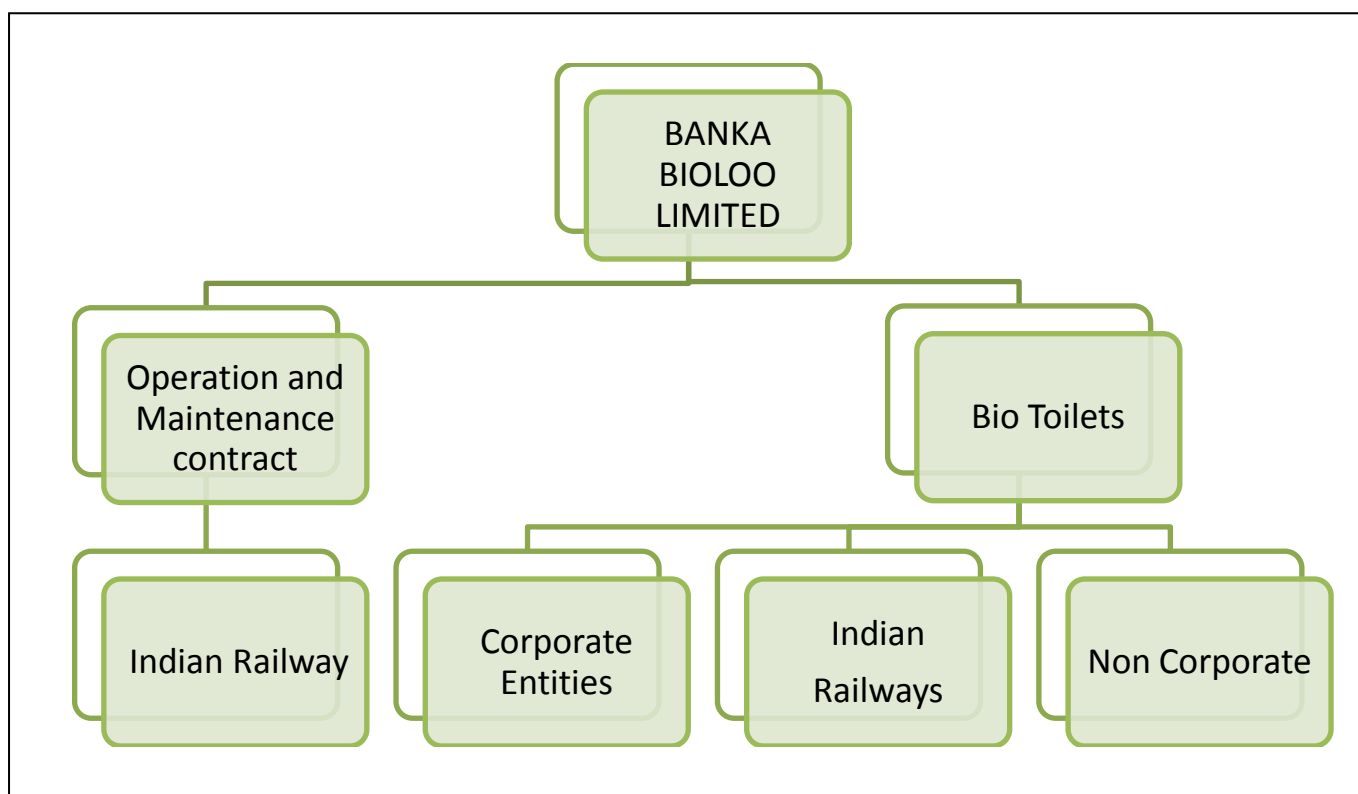
*This chapter should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the sections titled 'Risk Factors' and 'Financial Information' and the chapter titled 'Management Discussion and Analysis of Financial Condition and Results of Operations' beginning on page nos. 11, 133 and 157, respectively, of this Draft Prospectus.*

*Unless the context otherwise requires, in relation to business operations, in this chapter of this Draft Prospectus, all references to "we", "us", "our" and "our Company" are to "Banka BioLoo Limited".*

### OVERVIEW

Our company was incorporated in 2012 with an aim to provide sanitation infrastructure and hygienic solutions for human waste treatment and disposal. After receiving our certificate of incorporation, we have taken over the running business of our promoter, 'Banka Enterprises', a sole proprietorship through a business takeover agreement dated Feb 1, 2013. For further details please refer to "History and other corporate matters" beginning on page no. 110 of this Draft Prospectus.

We focus on giving sanitation solutions to those who do not have access to toilets, as well as to those who have toilets but face trouble treating and managing the waste. We provide sanitation infrastructure and human waste management solutions and services, involving innovative and simple bio-digester technology patented by Defense Research and Development Organisation (DRDO), the R&D arm of the Indian Ministry of Defense. The anaerobic bio-digester technology helps users manage waste onsite, without depending on expensive and energy-consuming sewage infrastructure. Further, we also provide sanitation operations and maintenance (O&M) services to Indian Railways. Our business model is illustrated below



We have installed over 6,000 bio-toilet units across India and currently undertake 12 O&M service contracts with Indian Railways. For our innovation and continuous contribution for betterment of society, we have been recognized and acclaimed, nationally and globally, a few noteworthy are below:

- Carter Women's Initiative Award – Asia-Pacific Laureate
- Devi Award by Indian Express

- IMC Innovation Award - Finalist
- Changing Markets Award
- Recognized by Business Outlook
- Sankalp Award for Health, Water and Sanitation



Our solutions can be used for many purposes, few of which are:

- Household Bio-toilets
- Mobile Bio-toilets
- School Bio-toilet Blocks
- Bio-toilets at worksites
- Bio-digester Tanks for various user groups

## OUR STRENGTHS

### 1. *Pioneers in Bio-digester Technology Application and Development for Commercialization*

Our sanitation solutions are based on the patented “bio-digester” technology, developed by DRDO. We are a licensee (through transfer of technology) and have partnered DRDO for technology commercialization for large-scale deployment of sanitation systems.

A licensing agreement was entered into with DRDO on January 12, 2012 in the name of Banka Enterprises and the license is perpetual in nature. Though the bio-digester technology was licensed from DRDO by many entities, nobody took it as a serious business or a cause and a mission. Banka BioLoo pioneered the concept in mass deployment, across states and user-bases. The technology is effective in resolving the huge challenge of open defecation in India. We also continue to explore more application areas of the technology.

As a pioneer in the bio-toilets sector, Banka BioLoo enjoys the first-mover advantage. With many successful projects in place, and recognition from the government, industry and academia – we have overcome many entry barriers, as also made a mark for ourselves. We have also upgraded to bio-tank, many a septic tank for educational institutions, apart from houses, to treat human waste effectively. This has led to continuous flow of enquiries from far and wide, and we are pursuing /consummating these steadily. Today, Banka BioLoo has become synonymous with “bio-toilet” in India, and the company is seen as an effective human waste solution provider.

### 2. *All-round Expertise and Capability*

We have an all-encompassing strength in sanitation and across the value-chain offering. We cater to Railways and other clients. We provide both, products and services. We have manufacturing and production facilities for all components of bio-toilets – super-structure, bio-tank for Railways and non-rail ones, inoculum generation plants; and team members for installation and commissioning and operations and maintenance. Most of our peers cater to a particular segment only or provide a specific product or service. We leverage this unique positioning for further growth and expansion.

### **3. Consistent and Standardised Product Quality**

Our Company has received ISO Certification from DUV Certification Private Limited and was found to be in accordance with the requirements of ISO 9001:2015 in regards to manufacturing, installation, repair, maintenance of control discharge toilet systems, retention tanks, bio-toilets, bio-tanks, fabricated items for railways, domestic applications, inoculation and supply of anaerobic bacteria. This certification provides assurance to our customers of the quality. Our Company undertakes stringent quality control as mandated in its Quality Manual to adhere to the quality norms of ISO.

The brief details of the internal Quality Manual detailing the Quality Management System (QMS) are enumerated in the section “*Quality Manual*” in the chapter “*Our Business*” on page no. 98 of this Draft Prospectus.

### **4. Experienced & Qualified Team**

Our senior management team is experienced in this industry and in the application of marketing and distribution initiatives in this sector. The Promoter and the senior management team of our Company have significant industry experience and have been instrumental in the consistent growth of our Company’s performance. Our Managing Director and Promoter Mrs. Namita Banka has been the main guiding force behind the growth and business strategy of our Company. She has significant industry experience and has been instrumental in the consistent growth of our Company’s performance. Mr. Akhilesh Tripathi has several years of experience in the controlled discharge toilet system (CDTS), supporting the railways on this technology and has been instrumental in managing the operations and maintenance services with the railways. Mr. Sanjay Banka, completed his Bachelor of General Law from South Gujarat University, Surat and Master of Business Administration (MBA) from Stuttgart Institute of Management and Technology, Germany. His functional responsibility is developing industry networks for further business development, setting up the key processes for scaling up, building national and international partnerships and collaborations. He has developed deep insights on water, sanitation and hygiene (WaSH), and is an acclaimed name in international WaSH, having held important global positions. Mr. Rama Krishna is a seasoned CFO, with over two decades of finance & accounts, regulatory & compliance and secretarial matters experience. Further, our Promoter Directors are supported by a team of well qualified and experienced professionals. We believe that our management team’s experience and their understanding of the sanitation sector will enable us to continue to take advantage of both, current and future opportunities. It is also expected to help us in addressing and mitigating various risks inherent in our business, including significant competition. For further details on education, experience and other details of our Management and our Key Managerial Personnel, kindly refer to the Chapter titled “*Our Management*” beginning on page no. 114 of this Draft Prospectus.

### **5. Economical & Affordable product**

Treatment of human waste through bio-digester technology is economical compared to hugely built and centralized sewage treatment plants and associated infrastructure and age-old septic tanks; hence can be afforded by people from peri-urban and rural areas. Most conventional technologies need huge infrastructure (for transportation to a centralized facility) or immense energy (for treatment or degrading). This technology does away with both. The fecal matter is treated at source (below/behind the toilet pod) and doesn’t require any external aid. On the contrary, the system releases re-usable effluent water that could be used for gardening and agriculture. With further secondary and tertiary treatment, the water could be used for other purposes. The system also releases biogas that can be used as a source of energy for heating and cooking, in case of large-sized bio-tanks. The bio-toilet can be deployed anywhere and everywhere, in crowded urban slums or far-flung rural hinterlands.

### **6. Environmentally-friendly and Sustainable System**

The bio-toilet is a complete environmentally-friendly system. The fecal matter isn’t left to ground, nor does it pollute the ecology in any manner. The system ensures that the human waste is completely degraded or “eaten up”. The effluent water is pathogen-free, can be re-used or left to seep into the ground. Even as it percolates, it recharges the water table. Above all, the system doesn’t require any energy source for treatment, rather gives out utilizable biogas.

In a country such as India, where 50% of the population did not have toilet facility till the onset of Swachh Bharat Abhiyan (Clean India Mission), the bio-toilet is a strong remedy. The bio-toilet can be easily installed without high cost, for the economically challenged or for the people at the bottom of pyramid (BoP). Houses or areas that use the conventional pit system (fecal matter being collected or dumped in earth) can adopt the bio-toilet system easily. We need to install the bio-tank, of any effective material to hold the bacteria, which can then be added to the multi-chambered bio-tank. We strongly believe that womenfolk will be major beneficiaries of our systems, as they suffer

more compared to the men, due to absence of sanitation. Their security is at risk, as well as their dignity is compromised while defecating in the open, and they face health risks.

## **7. Strong Client Base**

We have developed a strong client base for our product and services. We have entered into multi-year O&M contracts with Indian Railways. Also, for our products we have developed corporate client base as well including public sector undertakings (PSUs), publicly-listed and private companies, construction, infrastructure and plantation companies, Foundations, NGOs and other organizations. We have expanded our market across, urban, peri-urban and rural India.

## **OUR STRATEGIES**

### **1. Marketing and Communication Strategy**

Swachh Bharat Abhiyan (SBA) is a campaign that aims to clean up the streets, roads and infrastructure of India's cities, smaller towns, and rural areas. The objectives of SBA include eliminating open defecation through the construction of household-owned and community-owned toilets and establishing an accountable mechanism of monitoring toilet use. Led by the Central Government India, the Mission aims to achieve an open-defecation free (ODF) India by 2 October 2019, the 150<sup>th</sup> anniversary of the birth of Mahatma Gandhi, by constructing 12 million toilets in rural India at a projected cost of ₹ 1.96 lakh crore (US\$30 billion).

Due to the SBA, awareness amongst people for cleanliness and sanitation is increasing rapidly, which we are leveraging to promote our business. Following marketing and communication strategies are employed by us to expand our existing market:

**WoM (word-of-mouth):** We have created a lot of awareness regarding the concept through various successful projects in different parts of the country. These projects have led to the next projects, and then the next.

**Exhibitions:** We participate in exhibitions, such as Swachh Bharat Expo in India, and abroad, spreading the technology and highlighting the enterprise.

**Events:** For instance, in January 2013, we organized “Walkathon for Sanitation” with COWE (Confederation of Women Entrepreneurs), of which Banka BioLoo is a member, in Hyderabad. Participants included college students and corporate employees, among others. They helped spread the word on sanitation and overcoming open defecation. Banka’s name was on the hoarding too, with other participants – leading to many potential clients enquiring about us and our services.

### **2. Partnerships with industry and non-governmental players**

DRDO, the inventor of the technology and our technology partner, supports us immensely. DRDO calls us the torch-bearer of the bio-digester technology, due to our strong commitment and on-ground work.

Federation of Indian Chambers of Commerce and Industry (FICCI) has supported for promoting and implementing bio-toilet projects. Our pilot project in 2012 of 6 twin-toilet installations in Odisha, a state in eastern India was inaugurated by the then national minister of rural development and water and sanitation, Mr Jairam Ramesh. FICCI is an association of business organizations in India and has deep inroads within the industry and the government.

NGOs and non-profit organizations are our partners in installing household and community bioloos, and creating awareness. In association with them, we reach out to the rural populace and urban slums.

### **3. Networking**

We are a member of NSIC (The National Small Industries Corporation). It helps us network with, and build relationships within state-owned enterprises. One such, National Thermal Power Corporation (NTPC), a leading power generator, approached us for providing bioloos in the vicinity of its plants.

COWE (Confederation of Women Entrepreneurs), Sankalp Forum (promotes social enterprises) and friends and acquaintances in corporations and the non-profit sector help in reaching out to clients.

#### 4. Customer Retention Strategy

Every customer of ours has been immensely satisfied by the extent of service provided, right from understanding the need, the customer's budget, kind of material to be used, the benefits to be derived, the design element and everything else. This helps in not only retaining the customer but also get new ones. Many new customers have approached us through "word of mouth", which helps us grow continuously. Our team members are extremely committed to the mission and they go all out to meet the customers' requirements. For example, we supplied bioloo to L&T (Larsen and Toubro Ltd – an Indian conglomerate) for their metro construction work in Hyderabad. Satisfied with the working of the toilets and our hands-on approach; they placed orders for more bioloos for their new sites. Same is the case with Shapoorji Pallonji & Co. Ltd., a construction major with pan-India presence, and Piramal Realty, member of the Piramal Group; to name a few.

We, at regular intervals, interact with the customers to understand any issue faced and to check the quality of effluent water. This helps us understand the challenges and keeps the customer motivated. We intend to set-up 24/7 teams, in major hubs, to serve the customers better, as we scale.

#### 5. Pricing Strategy

Bio-toilets are price sensitive and different models help us to ensure we provide these to various client segments. Currently, the prices of our products and services are on a cost plus basis. Margins vary from product to product. One of the critical factors is to try to fit the solution offering in the client's budget. The basic price covers our costs. We determine the margins based on customer's ability, place and type of labor. Our O&M contract covers supply of components and salaries of on-site staff.

### DETAILS OF OUR BUSINESS

#### LOCATION

##### Registered Office:

Our Registered office is located at Plot No. 11-4-651, A-109, Express Apartments, Lakdi ka Pool, Hyderabad - 500004

##### Fabrication unit:

Our Fabrication unit is at Plot No. 81, IDA, Phase 3, Cherlapally, Hyderabad - 500051

##### Inoculum generation unit:

Our Inoculum generation unit is at Kolanpak Village, Aler, District: Nalgonda, Hyderabad - 508101

##### Super-structure production unit:

Our Structure production unit is at Plot No. C158 B, MIA, Alwar, Rajasthan – 301030

For further details of ownership / lease of the above locations, please refer to "Our Business – Properties" on page no. 100 of this Draft Prospectus.

### OUR REACH

Our main operating states are Rajasthan, Uttar Pradesh, Bihar, Assam, Jharkhand, Odisha, West Bengal, Maharashtra, Telangana, Andhra Pradesh, Karnataka and Tamil Nadu.

Location details are explained as under:

State	Major Important Project(s)/Operations	Socio-development Impact
Andhra Pradesh	Bio-toilets in various cities for construction labour	WaSH (water, sanitation and hygiene) facilities for working community
	Bio-tanks in govt-run primary schools, and Sainik School by state education welfare and infrastructure development corporation	WaSH (water, sanitation and hygiene) facilities for school children and staff members

State	Major Important Project(s)/Operations	Socio-development Impact
<b>Arunachal Pradesh</b>	Bio-toilets for households	WaSH (water, sanitation and hygiene) facilities for family members
<b>Assam</b>	Bio-toilets in various places for labour of plantations	WaSH (water, sanitation and hygiene) facilities for working community
	Bio-toilets and water provision in primary schools; under the CSR program	WaSH (water, sanitation and hygiene) facilities for school children and staff members
	Bio-toilets Operations & Maintenance Contracts with Railways	Employment to 80 members
<b>Bihar</b>	Bio-toilets Operations & Maintenance Contracts with Railways	Employment to 13 members - mostly from somewhat disadvantaged sections of society
	Bio-toilets in schools under the aegis of CSR of PSU	WaSH (water, sanitation and hygiene) facilities for school children and staff members
<b>Chhattisgarh</b>	Bio-toilets installations for community	Eco-friendly sanitation
<b>Goa</b>	Supply of inoculum for bio-digester tanks, and installation of bio-toilets with social organization	Eco-friendly sanitation
<b>Gujarat</b>	Bio-toilets in primary school; under CSR program	WaSH (water, sanitation and hygiene) facilities for school children and staff members
<b>Jharkhand</b>	Numerous households in and around Ranchi provided bio-toilets	Eco-friendly sanitation
<b>Karnataka</b>	Bio-toilets for community under MLALADS	WaSH (water, sanitation and hygiene) facilities for community members
	Bio-toilets for construction labour	WaSH (water, sanitation and hygiene) facilities for working community
	Bio-toilets and water provision in primary schools; under the CSR program	WaSH (water, sanitation and hygiene) facilities for school children and staff members
<b>Kerala</b>	Supply of inoculum for bio-digester tanks	Eco-friendly sanitation
<b>Maharashtra</b>	CDTS Operations & Maintenance Contract with Railway	Employment to members - mostly from somewhat disadvantaged sections of society
	Bio-toilets in slums in Sangli	Eco-friendly sanitation
<b>Meghalaya</b>	Bio-toilets and water provision in primary schools; under the CSR program	WaSH (water, sanitation and hygiene) facilities for school children and staff members
<b>Odisha</b>	CDTS and Bio-toilets Operations & Maintenance Contracts with Railways	Employment to 60 members - from disadvantaged sections of society
	Pilot Bio-toilets installed in Dhamra - 2012	Stopped open defecation by villagers
	Bio-toilets installations and water provision in govt-run primary schools, respectively; under the CSR program of a PSU	WaSH (water, sanitation and hygiene) facilities for school children and staff members
<b>Punjab</b>	Installation of bio-toilets in Cantonment Board Area	WaSH (water, sanitation and hygiene) facilities for staff and Cantt members
<b>Rajasthan</b>	Bio-toilets in 250 primary and middle schools in Alwar District; under the CSR program of a public-listed company	WaSH (water, sanitation and hygiene) facilities for school children and staff members
	Household bio-toilets in Bundi and Dholpur districts	WaSH (water, sanitation and hygiene) facilities for family members
<b>Tamil Nadu</b>	Bio-toilets and water provision in primary schools; under the CSR program	WaSH (water, sanitation and hygiene) facilities for school children and staff members
	Bio-tanks in green sanitary complex by DRDA	WaSH (water, sanitation and hygiene) facilities for community members



State	Major Important Project(s)/Operations	Socio-development Impact
	Operations & maintenance contract with Railways	
	Bio-toilets at power plant site	WaSH4Work
Telangana	Bio-toilets in various cities for construction labour	WaSH (water, sanitation and hygiene) facilities for working community
	Bio-toilets in govt-run primary schools	WaSH (water, sanitation and hygiene) facilities for school children and staff members
	Bio-toilets Operations & Maintenance Contracts with Railways	Employment to 100 members
Uttar Pradesh	Bio-toilets installations in primary schools under the CSR program of PSU	WaSH (water, sanitation and hygiene) facilities for school children and staff members
Uttarakhand	Bio-toilets installations and water provision in 100 govt-run primary schools; under the CSR program of PSU	WaSH (water, sanitation and hygiene) facilities for school children and staff members
West Bengal	CDTS and Bio-toilets O&M Contracts with Railways	Employment to 70 members - from disadvantaged sections of society
	Bio-toilets in various cities for construction labour	WaSH (water, sanitation and hygiene) facilities for working community

## Our Target Market

- **Domestic/household** – vast populace, primarily across peri-urban and rural India, with no access to sanitation – we provide low-budget, durable, aesthetic, and sustainable bio-toilets
- **Schools** – such as government primary and middle ones under Swachh Bharat - Swachh Vidyalaya (Clean India – Clean Schools) Programme
- **Worksites** – factories and production centers, mines, construction and infrastructure development sites, plantations, power plants, onsite offices
- **Mobile units** – for police force, tourism sites, city dwellers in informal settlements
- **Trains** - Indian Railways, by 2019, intends to convert the current drop-chute toilet system (fecal matter falling on rail tracks) to bio-toilet system. This will ensure tracks are free of human waste and the train toilet system is environmentally-friendly. The program is to install 200,000 units by 2019 in the coaches – new ones and retrofit in existing coaches. Allotted budget for this is ₹ 22 billion for 2015-2020.

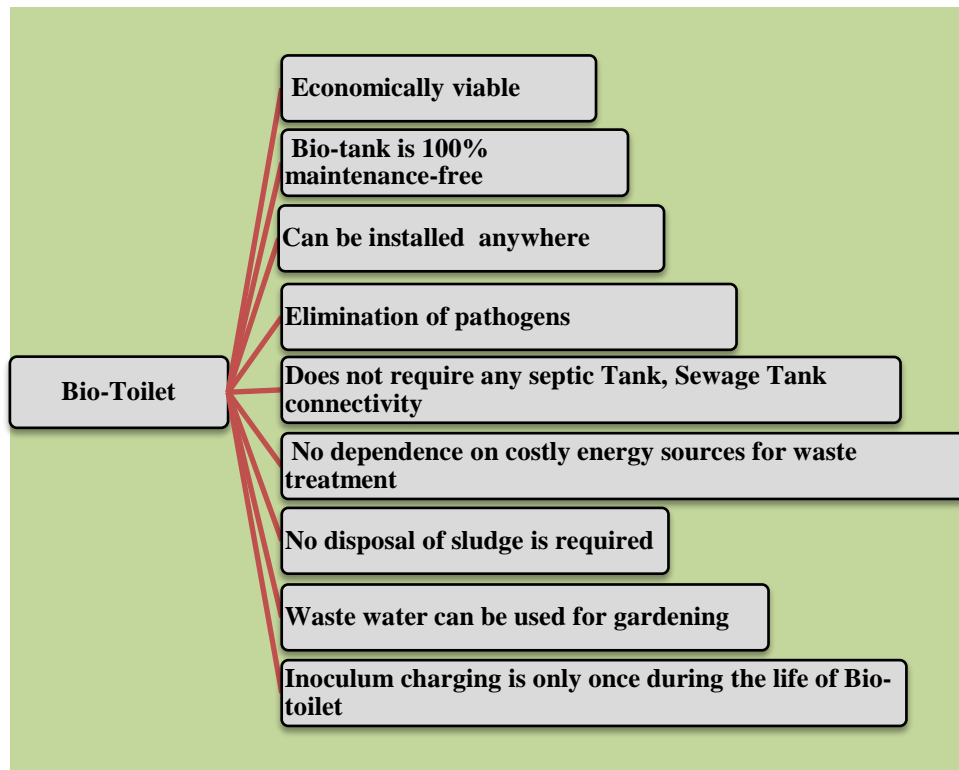
## PRODUCTS AND SERVICES

### I) Bio-Toilets

Banka BioLoo provides environmentally-friendly and sustainable solutions for sanitation in rural, urban and peri-urban areas. Our bio-toilets (or bioloos) treat human waste using bacterial culture, which eliminates the need for excreta disposal, transport and treatment. The system obviates the need for external sewage infrastructure.

The system treats/disposes human waste:

- in 100% eco-friendly manner
- saves energy
- conserves water
- produces biogas in minor quantities



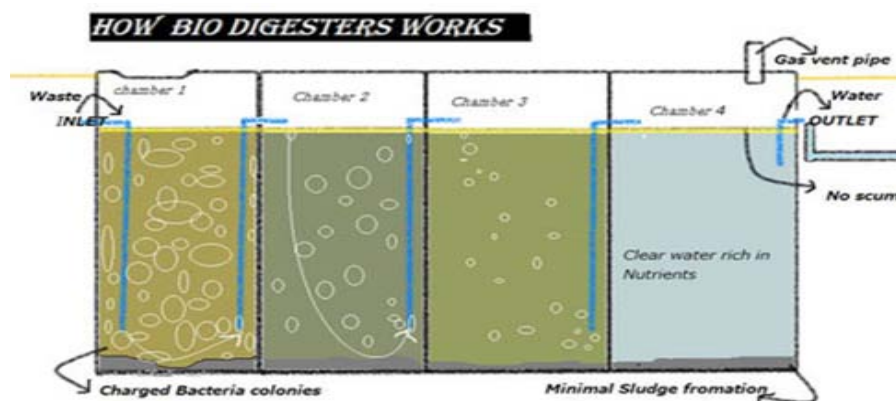
Our solutions address the following customer needs/pain points:

- Meet the need for basic, easy-to-install and hygienic human waste disposal mechanism in areas with no infrastructural facilities
- Address the need for a cheaper and easy-to-operate alternative to the traditional waste disposal system

### The Technology

- Bio-digester is a consortium of anaerobic bacteria that have been screened and gradually adapted to work at temperatures as low as  $-5^{\circ}\text{C}$  through the isolation of psychrophilic bacteria from Antarctica/Siachen. These act as inoculums (seed material) to the bio-digesters and convert the organic waste into methane and  $\text{CO}_2$ . The anaerobic process inactivates the pathogens responsible for water-borne diseases. Bio-digesters serve as reaction vessels for bio-methanation and provide anaerobic conditions and the required temperature for the bacteria.

We manufacture/produce the entire range of base products: bio-toilets, bio-tanks and bacterial culture, and services-consultancy in this sub-sector. We have been working on product innovations and applying this technology to varied sanitation requirements.



## Major Products

### 1. Bio-toilet units for domestic & community clusters:

The bioloo comprises the super-structure and a bio-tank beneath/beside it.



### Features

- Pre-cast concrete structure, can be installed in a day
- Zero maintenance
- Environmentally-friendly
- Very cost-effective
- Rapid mass deployment for urban/rural settlements
- Minimum lifespan of 20 years
- External treatment infrastructure not required

### 2. Bio-tanks:

Bio-tank is a specially designed multi-chambered pre-fabricated tank. The human waste is collected in the chambers and is degraded by bio-digester bacteria. One set of stainless steel bio-tanks are specifically designed for deployment by Indian Railways in the trains. For households, clusters and schools, FRP (fibre-reinforced plastic) bio-tanks are used.



### Features

- Reduction in pathogens by 99%
- Reduction in organic matter by 90%
- No maintenance or energy required
- Further addition of bacterial culture not required
- Freedom from removal of solid waste
- No infestation of cockroaches and flies

- Faecal matter in the tank remains invisible, no clogging of digesters.
- Effluent water is free from odor and solid waste
- Use of cleaning agents permitted
- 100% customizable and low on space requirement

### 3. Bacterial culture (Inoculum):

The bacterial culture comprises different strains of bacteria inoculated in a monitored environment, and added to the bio-toilet/tank. These bacteria “eat away” the human faeces, leaving behind effluent water, carbon dioxide and methane.



### Features

- Degrades human waste in 36-48 hours
- Withstands temperatures from -5° to 50°C
- Does not freeze
- Non-hazardous
- Complete organic process of inoculation

### II) BioLoo Services

- **Operations and maintenance (O&M)** for bio-toilets and CDTs in railways, public places, for corporations and government bodies

- **Consultancy** to upgrade **septic tanks to bio-tanks**

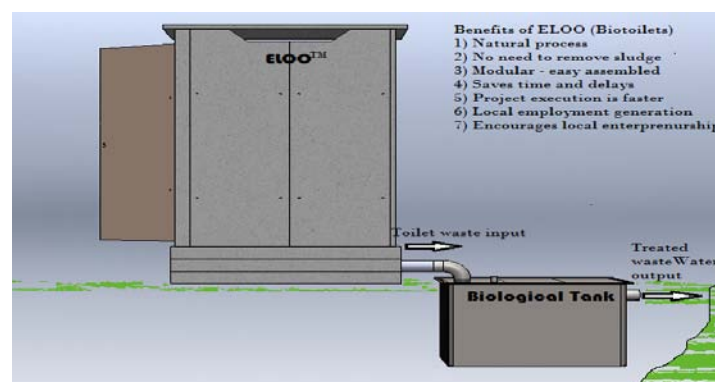
The traditional and commonly-used septic tank is a retention tank, which requires periodic removal of sludge, at times emits foul smell, and if not built/maintained properly contaminates the ground water.

We help clients upgrade from this old system, by re-designing, helping in re-construction and charging the bio-tank with bio-digester bacteria. The upgrade can be completed in 15-20 days

### BioLoo Benefit to the End-User/Consumer

Our products have proven efficacy and serve requirements across the value chain of the sanitation process.

### Concept



## Features

- Economically viable
- Bio-tank is 100% maintenance-free
- Can be installed anywhere
- Elimination of pathogen
- Does not require any septic Tank, Sewage Tank connectivity
- No dependence on costly energy sources for waste treatment
- No disposal of sludge is required
- Waste water can be used for gardening
- Inoculum charging is only once during the life of Bio-toilet

## Few of our large completed projects are below

1	Bio-toilets and water provision in schools (CSR)	4 districts in Odisha	200 bio-toilets and 300 water pumps	May-Oct '15
2	Bio-toilets in Schools (CSR)	Alwar District, Rajasthan	2,000 bio-toilets	Oct '15 to Mar '17
3	Bio-toilets in Schools near cement plants (CSR)	8 states	250 bio-toilets	Feb '15 to Mar '16
4	Bio-toilets for labour (Major construction company)	4 states	225 bio-toilets	3 years
5	Rail bio-toilets	Pan-India	1,700 units	3 years
6	Bio-toilets in Schools (CSR)	Uttarakhand	150 bio-toilets	Oct '16 to Mar '17
7	Bio-toilets in Schools and public places (CSR)	Bihar	190 bio-toilets	Oct '16 to Mar '17

## Quantitative social impact of bio toilets

Social impact of Bio-toilets is illustrated as below:

Particulars	2015	2016	2017	2018	2019
Bio-toilets	1,500	3,000	5,000	8,000	12,000
Users	24,750	49,500	82,500	132,000	198,000
Railway Bio-tanks	600	900	200		
Swachhta Udyami	1	2	4	10	15
O&M Service Jobs (directly)	100	150	200	300	500
Installation Jobs (casual)	50	100	300	450	500

## RAW MATERIALS

The main raw materials used in the manufacture of bio-toilets are –

### A. FRP (Fiber Reinforced Plastic)



FRP material consists of thermosetting resins and fiberglass. The combination of resin and glass fibers, makes the main ingredient of FRP products. The resin brings the environmental and chemical resistance to the product and is the binder for the glass fiber in the structural laminate. Based on the chemical and environmental circumstances (given by the customer or user), a resin type is selected

## B. Stainless Steel



### 1. Grade 304

Type 304, with its chromium-nickel content and low carbon, is the most versatile and widely used of the austenitic stainless steels. Its alloys are all modifications of the 18% chromium, 8% nickel austenitic alloy. Type 304 proves to be resistant to oxidation, corrosion, and durability.

### 2. Grade 316

Type 316 stainless steel is an austenitic chromium-nickel stainless and heat-resisting steel with superior corrosion resistance compared to other chromium-nickel steels when exposed to many types of chemical corrodents such as sea water, brine solutions

C. The main raw material used in manufacturing toilet superstructure is as follows:



1. MS rods: MS rods provide the reinforcement to the prefabricated panels used as walls of toilets
2. Cement
3. Sand
4. Gravel

## Anaerobic Microbial Inoculum

Bio-digester is a consortium of anaerobic bacteria that have been screened and gradually adapted to work at temperatures as low as  $-5^{\circ}\text{C}$  through the isolation of psychrophilic bacteria from Antarctica/Siachen. These act as inoculums (seed material) to the bio-digesters and convert the organic waste into methane and  $\text{CO}_2$ . The anaerobic



process inactivates the pathogens responsible for water-borne diseases. Bio-digesters serve as reaction vessels for bio-methanation and provide anaerobic conditions and the required temperature for the bacteria.

Initial seed material or the bacterial culture to start the inoculation was provided by the technology partner, DRDO. To this seed material, we add cow dung slurry and water every day to ensure proper inoculation and growth of the bacteria. All this is done based on the parameters and standards set by the DRDO. The inoculation quality is monitored and the data logged. Cow dung is generally used as a basic raw material for inoculum.

## UTILITIES

### Power & fuel

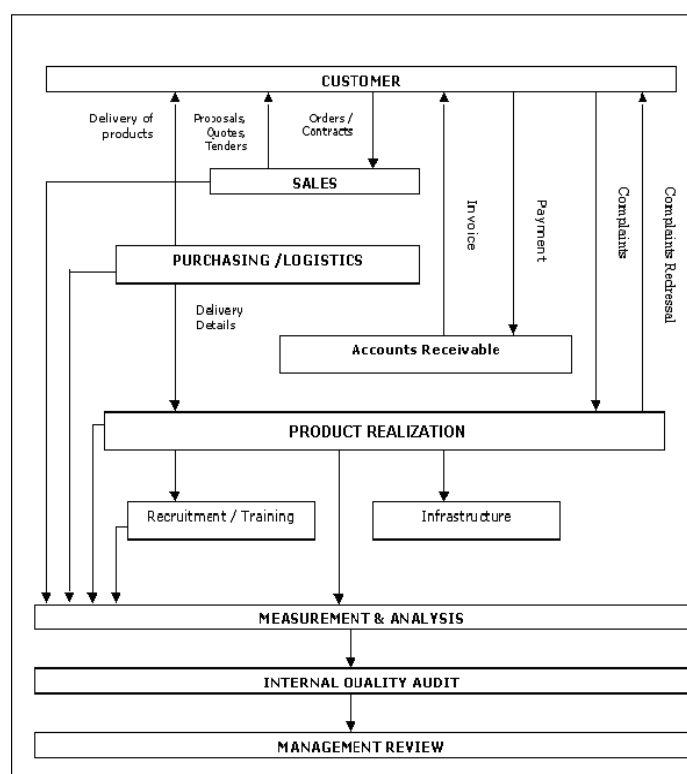
Our manufacturing plants and registered office have adequate power supply position from the public supply utilities.

### Water

Our current water consumption at our manufacturing units is sourced from the borewells on site.

## BUSINESS SYSTEMS AND ORGANIZATION

### Our Business Process



## MANUFACTURING FACILITIES

### Works 1: Cherlapally, Hyderabad.

The stainless steel bio-tanks, for supplying to Railways, manufacturing unit is in the industrial hub of Cherlapally, at the outskirts of Hyderabad. Raw material, primarily stainless steel sheets, and other items, are procured from twin cities of Hyderabad - Secunderabad and some items arrive from northern India. The tank manufacturing is in-house, which ensures that everything conforms to the set standards of quality.



- 1) Capacity to manufacture 100 tanks per month in 1,000 sq yard space
- 2) We have Plasma sheet cutting, CNC bending, Hydraulic shearing machine, Tig welding machine, Mig welding machine, Grinders, buffers, Spot welding, Drilling machine, acid cleaning area, hand trolleys, test bench etc.
- 3) We have various hand tools, moulds, patterns and tables to produce FRP bio-digester tanks.

**Works 2:** MIA, Alwar - 301030, Unit, to manufacture pre-fabricated bio-toilet super-structures, began in mid-2015.



- 1) Required infrastructure in place to manufacture 10 toilet shelter panels per day.
- 2) Equipment such as panel moulds, vibrating machine drying beds has been organized.

### **Inoculation of bio-digester bacteria**

Our inoculation plant is in Aler, 75 km from Hyderabad. Initial seed material or the bacterial culture to start the inoculation was provided by the technology partner, DRDO. To this seed material, we add cow dung slurry and water every day to ensure proper inoculation and growth of the bacteria. All this is done based on the parameters and standards set by the DRDO. The inoculation quality is monitored and the data logged.



As orders are received, the bacteria (semi-viscous liquid) are packed in large plastic cans and transported through trucks to the places of delivery.

- 1) Capacity - 1.2 million liters of bacteria
- 2) We have generator, 10 Ton Chillers, 10 HP Pumps, Laboratory equipment etc.

### **Installation of bioloo**

The installation of bioloo, comprising of super-structure and the bio-tanks (specially designed) below or behind the toilet structure, are carried out at the site. The site engineer at the installation site ensures that everything is according to the plan and drawing.

Pre-fabricated toilet is supplied to be installed at the site as per the requirement and budget. Today, this is the pre-eminent solution. The toilet super-structure and the bio-tank are made in the plant and transported to the place of installation, and our team members fit the toilet at the customer site.

### Sanitation O & M services

In early 2012, one of the zones of Indian Railways (East Coast Railways) was facing difficulties in maintaining the new toilet systems (CDTS) in trains within their jurisdiction. We secured the maintenance contract for ₹ 5 million. We had a 10-member team in Bhubaneswar, Odisha, which serviced these toilets when the trains arrived there, attending to the daily schedules. In August 2013, we bagged another contract from Eastern Railway for servicing these toilets for trains within their jurisdiction. In late 2013, we secured another one in Mumbai, Maharashtra. Now, O&M are on the upswing – currently 6 such service contracts are in progress.

Steadily, we diversified and are currently undertaking O&M of bio-toilets in the trains.

As of Sep 2017, there are 12 contracts of CDTS and bio-toilets, with various railway zones, with annual revenue of ₹ 50 million.

### PLANT AND MACHINERY

Our manufacturing units at Cherlapally and Alwar are equipped with state-of-the-art machines, installed to provide the best quality with latest technology and accurately tested products. Some of the key plant and machineries are listed below:

Particulars	Make	Location
CNC Hydraulic Press 160 Ton	Jiangsu Heavy Machine	Cherlapally
TIG Welding Machine	Waltek/Iskara	Cherlapally
MIG Welding Machine		Cherlapally
JIGSaW Machine	Bosch	Cherlapally
Drilling Machine (GBM13-2)	Bosch	Cherlapally
Buffing / Grinding Machine	Bosch	Cherlapally
Table Grinder		Cherlapally
Straight Grinder		Cherlapally
Drill Standing	Rajkot make	Cherlapally
Pillar press	Rajkot make	Cherlapally
Pipe Cutting Machine (Chop Saw)	Bosch	Cherlapally
Pipe Cutting Machine (Chop Saw)	Bosch	Cherlapally
Plasma cutting machine		Cherlapally
CNC Plasma cutting machine	Hypertherm	Cherlapally
Shearing Machine		Cherlapally
Stud Welding Machine		Cherlapally
Vacuum Machine	Karcher	Cherlapally
Concrete Table Vibrator		Alwar
Concrete Mixture Machine		Alwar
Cutter Machine		Alwar
Air Cool Chiller		Aler

### Plants

Particulars	Make	Location
Electoflic Weighing Scale	Varun Scales	Cherlapally
Hand pallet Truck		Cherlapally
Pulley Iton		Cherlapally
Compressor with 5 Hp motor	Crompton Greaves	Cherlapally
Compressor (100PSI)		Cherlapally
Blower'	Bosch	Cherlapally
Sealer		Cherlapally

Particulars	Make	Location
SS'tables		Cherlapally
Jet Cleaning Machine (Water)	Bosch	Cherlapally
FRP'tasiks	Shivant Fiber	Cherlapally
Tools	Taparia	Cherlapally
Fire extinguisher		Cherlapally

## RESEARCH & DEVELOPMENT

We wish to undertake R&D activities for effluent use and further pathogen removal. The R&D team will further expand the applications of bio-digesters, and also maintain reports of water samples to create an internal database about the performance of the bio-toilets. We also intend to undertake secondary treatment of effluent water – to use for household purposes.

## QUALITY MANUAL

Our Company has developed and implemented a Quality Management System (QMS) in order to help the organisation operate with increased effectiveness, consistency and enhance customer satisfaction. The key components of the Quality Manual adopted by our Company include:

1. Management Responsibility (which covers matters such as Management Commitment, Customer Focus, Quality Policy, Planning, Responsibility, Authority and Communication and Management Review).
2. Resource Management (which covers matters such as Human Resources, Infrastructure and Work Environment).
3. Product Realisation (which covers matters such as Planning, Customer related Processes, Design & Development, Purchasing, Production and Service provision and Control of Monitoring and Measuring Equipment).

Measurement, Analysis and Improvement (which covers matter such as Monitoring of Customer Satisfaction, Internal Audit, Control of Non-conforming Product and Overall Improvement).

## MARKETING

We have entered into the following agreement with third parties for marketing/ Dealership of our product and promotion of our company:

Sr. No.	Particulars	Details of Agreement	Product Specification
1	Saisons Technocom Pvt Ltd Address: 1501, Dhukka chambers, Malad (east), Mumbai - 400097	Non-Exclusive Dealership agreement entered into on 6 April 2015	Solution Design with Super-structure, bio-tanks and bacterial culture- inoculum
2	Martand Thermoset Address: 100, Damodar Nagar Society, behind Rajdeep complex, Sussen-tarsali Road, Vadodara Gujarat - 390009	Non-Exclusive Dealership agreement entered into on 28 March 2015	Solution Design with Super-structure, bio-tanks and bacterial culture- inoculum
3	Asterik Technologies Address: No. 61, 2 <sup>nd</sup> floor, Poonamallie Road, Ekkattuthangl, Chennai - 600032	Non-Exclusive Dealership agreement entered into on 14 March 2015	Solution Design with Super-structure, bio-tanks and bacterial culture- inoculum
4	Anshila Services Pvt Ltd Address: Qtr no-236, A, Road No- 3B1, New Patliputra Colony, Patna, Bihar	To promote bio-toilets in Bihar	Solution Design with Super-structure, bio-tanks and bacterial culture- inoculum
5	Biraja Biodigester Agency Address: Plot № 146/1212 Padmapur- Chorada, Jajpur Road, Dist. Jajpur, PIN 755019 (Odisha)	Non-Exclusive Dealership agreement entered into on 26 August 2017	Solution Design with Super-structure, bio-tanks and bacterial culture- inoculum
6	Unicorn Technologies Address: Plot No. 2118, Mauja - Baghuaboli, PO - Talcher, Dist. - Angul, Odisha - 759100	MoU entered into on 20 July 2016	Joint exploration and exploitation of business opportunities for bio-toilets
7	Owens-Corning (India) Private Limited Address: 7th Floor Alpha Building, Hiranandani	Preferred Partner Agreement entered into	Promote composite toilet modules

Sr. No.	Particulars	Details of Agreement	Product Specification
	Gardens, Powai, Mumbai - 400076	on 16 August 2016	
8	Habitat for Humanity India Trust Address: 102/103, 1st Floor, Dhantak plaza, Makwana Road, Marol, Andheri (East),, Mumbai - 400059	MoU towards Membership in the Sensitise To Sanitise (S2S) Coalition	Promote collaborative efforts for sanitation
9	CUTS Institute for Regulation & Competition Address: D-72, First Floor, Hauz Khas, New Delhi - 110016	MoU on 10 March 2017	Research and consulting in water and sanitation, project execution
10	Bhu Seva Society Address: T-2 Jyothi Apartments, Bramarambika Nagar, Anandbag, Malkajigiri, Hyderabad - 500047 Model Farm: Village Salarpur, Kadlal, Mahboob Nagar Dist. - 509321	General Cooperation Agreement on 22 Oct 2015	Development and promotion of environmentally-friendly Bio-toilets
11	Waterpreneurs Address: Impact Hub Geneva, 1 Rue Fendt, 1201 Geneva (Switzerland)	MoU on 7 February 2017	Improvement of access to safe affordable water and sanitation through local entrepreneurship

## ROUTE TO MARKET

As we see above, the “route to market” is fairly direct at this stage. We are working on an EDP (entrepreneurs development program) helping create/support sanitation entrepreneurs, who would undertake production and installation of bioloos in their localities.

## OUR MAJOR CUSTOMERS

The main customer for our sanitary services is the Indian Railways and Associate agencies. However we have been supply goods and Services to various corporate and non corporate including NGOs.

The percentage of income derived from our top customers in the last financial year is given below:

Sr. No.	Particulars	For the period ended June 2017	FY 16-17	FY 15-16	FY 14-15
1	Income from Top 10 Customers (%)	94.78%	99.14%	98.2%	96.53%

## COMPETITION

Sanitation is one of the least prioritized and non-glamorous industries, with a handful of established players to cater to such a large market. It's mainly due to the cultural barriers and nature of work. Other companies cater to different geographies and/or clientele and offer different product lines. Though, sanitation segment is underserved segment we face competition from NGO as well as other service providers. Few of them are listed below:

- Stone India
- Arkin Creation
- Sulabh Shauchalaya
- Eram Scientific Solutions
- JSL Architecture

## COLLABORATIONS

The Company has so far not entered into any technical or financial collaboration agreement.


## MANPOWER

Finding right manpower, owing to the stigma attached to the nature of work, is a challenge. We plan to partner with social impact organizations with fellowships, which will provide talented fellows for 1-2 years. As on 30 June, 2017, we are having 177 employees on our payroll.

The bio-toilet sector, being a nascent one, doesn't have adequate and strong professionals with relevant expertise and/or experience. As the industry evolves, we hope to overcome this challenge. That apart, many general professionals are averse to working in the "toilet field". We are trying to explain the immense benefit of the bioloos to the society. The socio-economic-eco-friendly system, as it matures, will attract people committed to the cause.

## INTELLECTUAL PROPERTY

The pending trademark as explained below

Sr. No.	Particulars of the mark	Word / Label mark	Applicant	Trademark / Application Number	Issuing Authority	Class	Status
1.		Device	Namita Banka	2362475	Trade Marks Registry, New Delhi	5	Pending

## PROPERTY

### Freehold Property/Land

Sr. No.	Schedule of property and area	Purchase Consideration (₹)	Date of Agreement	Seller	Purpose
1.	Sy. No. 988_1, admeasuring Ac. 1-00 Gts., Situated at Kolanpaka Village, Alair Mandal, Nalgonda District	₹ 14,20,000	November 20, 2014	Borla Mangalam	Inoculum generation land

### Leasehold Properties

The details of leasehold properties, which we occupy for our business operations are as under:

Sr. No.	Name of the Lessor	Schedule of property and area	Term of the Lease	Purpose
1.	Dr. Sharma	Flat bearing no. 11-4-651, A-109 Express Apartment, Lakdikapool, Hyderabad - 500004	<ul style="list-style-type: none"> <li>From Oct 01 2012 to Sept 01 2013 – rent and hire charges of ₹ 10,000 per month</li> <li>From Oct 01 2013 to Aug 01 2014 – rent of ₹ 11,000 per month</li> <li>Refundable Security Deposit - ₹ 30,000</li> </ul>	Registered office
2.	Smt. K. Sharma	C/o- Vishwa Ranjan, B-42, near Shiv Mandir, A. G. Colony, Ashiana Nagar, P.S. Shastri Nagar, Patna - 800025 (Bihar)	<ul style="list-style-type: none"> <li>From Jan 01 2017- rent of ₹ 3,200 per month</li> <li>Refundable security deposit – ₹ 10,000</li> </ul>	Sale Point
3.	Sri Khaja Reyazuddin (Anriz Industries)	Area of 1,000 sq. mt., including main shed of 4,000 sq. ft. lean to shed of area 2,000 sq. ft. with 25 HP in the Plot No. 81, Phase III, IDA, Cherlappally, Hyderabad - 500051	<ul style="list-style-type: none"> <li>7 years from December 31, 2012 to December 30, 2019. ₹ 55,000 per month, with an annual increase of 10%</li> <li>Refundable Security Deposit ₹ 3,30,000 paid by cheque # 417099 dated 31 Dec 2012 &amp; cheque # 417100 dated 24 Jan 2013</li> </ul>	Manufacturing plant
4.	Vijay Gupta proprietor of M/s. Shiv	Tin Shed of 5,000 sq. ft. situated on Plot No. C-158-B, Matsya Audyogik Kshetra,	36 months from July 01, 2016 to June 30, 2019 for ₹ 40,000 per month	Manufacturing plant



Sr. No.	Name of the Lessor	Schedule of property and area	Term of the Lease	Purpose
	Processors	MIA, Alwar, a land property admeasuring about 2,000 sq. m		

## INSURANCES

Our Company generally maintains insurance covering our assets, stocks and in transit products at such levels that we believe to be appropriate. We maintain insurance for burglary policy and standard fire and special perils policy, which provides insurance cover against loss or damage by fire, earthquake, terrorism etc. and also, which we believe, is in accordance with customary industry practices. We have also insured our Key Managerial Personnel and employees by taking Group Personal Accidental Policy.

The insurance policies covered by the company are:

Sr. No.	Name of the Insurance Company	Type of Policy and its Description	Validity Period	Policy No.	Sum Insured (₹ in lakhs)	Premium p.a.
1.	ICICI Lombard General Insurance Company Limited	Motor Vehicle Insurance	21/05/2017 to 20/05/2018	3003/131010308/00/000	2.394	11278
2.	United India Insurance Company Limited	Standard Fire and Special Perils Policy	26/07/2017 to 25/07/2018	0505001117P105434808	50.00	5489
3.	United India Insurance Company Limited	Standard Fire and Special Perils Policy	26/07/2017 to 25/07/2018	0505001117P105436643	2.00	192
4.	United India Insurance Company Limited	Standard Fire and Special Perils Policy	26/07/2017 to 25/07/2018	0505001117P105435497	40.00	4590

- (1) TATA MOTORS/ ACE HT with registration mark and number as AP09TB3415 bearing chassis number MAT445401DVK71807 and engine number KWYSK6604 considering geographical area within India only.
- (2) Engineering workshop (others), Clock / Watch Manufacturing. Motor Vehicle Garages, Earthquake, STFI Cover situated at Plot No. 81, Phase – III, Cherlapalli, IDA, Hyderabad, Telangana – 500051, India.
- (3) Building, Stocks, Earthquake, STFI Cover, Tissue Culture Premises situated at SY. No. 988 U1, Kolan Paka Village, Aleru Mandal, Nalgonda Dist., Nalgonda, Telangana – 508101, India.
- (4) Engineering workshop (others), Clock / Watch Manufacturing Motor Vehicle Garages, Earthquake, STFI Cover situated at Plot No., C- 158- B, Odyosika Fisheries Sector, M, A, Alwar, Rajasthan – 321607, India.

Apart from above policies, we have obtained insurance for our employees to cover their risk to life while in our employment, which we believe is appropriate and in accordance with the customary industry practices

## KEY INDUSTRY REGULATIONS AND POLICIES

*In carrying on our business as described in the section titled “Our Business” on page no. 83 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. 175 of this Draft Prospectus.*

### A. INDUSTRY RELATED LEGISLATIONS:

#### 1. The Factories Act, 1948("Factories Act")

The Factories Act seeks to regulate labour employed in factories and makes provisions for the safety, health and welfare of the workers. 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.

The Andhra Pradesh Factory Rules, 1950 and the Rajasthan Factory Rules, 1951 are applicable to our Company.

#### 2. Bihar Shops and Establishment Act, 1953

The provisions of the Bihar Shops and Establishment Act, 1953 regulate the conditions of work and employment in shops and commercial establishments and generally prescribe obligations in respect of inter alia registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures, and wages for overtime work.

#### 3. Telangana Shops and Establishments Act, 1988

The provisions of the Telangana Shops and Establishments Act, 1988 regulate the conditions of work and employment in shops and commercial establishments and generally prescribe obligations in respect of inter alia registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures, and wages for overtime work.

#### 4. The Employees State Insurance Act, 1948 (“ESI Act”)

The Employees State Insurance Act, 1948 provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. Employers of factories and establishments covered under the ESI Act are required to pay contributions to the Employees State Insurance Corporation, in respect of each employee at the rate prescribed by the Central Government. Companies which are controlled by the Government are exempt from this requirement if employees receive benefits similar or superior to the benefits prescribed under the ESI Act. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.

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

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

registers and filing of forms with the concerned authorities. The EPF Act also prescribes penalties for avoiding payments required to be made under the abovementioned schemes.

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

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

The Andhra Pradesh Payment of Gratuity Rules, 1972 and the Rajasthan Payment of Gratuity Rules, 1972 are applicable to the Company.

#### 7. **Payment of Bonus Act, 1965**

Pursuant to the Payment of Bonus Act, 1965, as amended, an employee in a factory or in any establishment where 20 (twenty) or more persons are employed on any day during an accounting year, who has worked for at least 30 (thirty) working days in a year, is eligible to be paid a bonus. Contravention of the provisions of the Payment of Bonus Act, 1965 by a company is punishable with imprisonment upto six months or a fine up to ₹ 1,000 or both.

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

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

#### 9. **The Payment of Wages Act, 1936("PWA")**

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

#### 10. **Equal Remuneration Act, 1979**

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

#### 11. **Trade Union Act, 1926**

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

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

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("SHWW Act") provides for the protection of women at work place and prevention of sexual harassment at work place. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behavior namely, physical contact and advances or a demand or request for sexual favors or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature. The SHWW Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee which shall always be presided

pon 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/-.

**13. Child Labour (Prohibition and Regulation) Act, 1986 (the “CLPR Act”)**

The Child Labour (Prohibition and Regulation) Act, 1986 seeks to prohibit the engagement of children in certain employments and to regulate the conditions of work of children in certain other employments.

**14. Industrial Disputes Act, 1947 and Industrial Dispute (Central) Rules, 1957 (“IDA”)**

Industrial Dispute Act, 1947 and the Rules made there under provide for the investigation and settlement of industrial disputes. The Industrial Disputes Act, 1947 was enacted to make provision for investigation and settlement of industrial disputes and for other purposes specified therein. Workmen under the IDA have been provided with several benefits and are protected under various labour legislations, whilst those persons who have been classified as managerial employees and earning salary beyond a prescribed amount may not generally be afforded statutory benefits or protection, except in certain cases. Employees may also be subject to the terms of their employment contracts with their employer, which contracts are regulated by the provisions of the Indian Contract Act, 1872. The IDA also sets out certain requirements in relation to the termination of the services of the workman. The IDA includes detailed procedure prescribed for resolution of disputes with labour, removal and certain financial obligations up on retrenchment. The Industrial Dispute (Central) Rules, 1957 specify procedural guidelines for lock-outs, closures, lay-offs and retrenchment.

The Andhra Pradesh Industrial Disputes Rules, 1958 and the Rajasthan Industrial Disputes Rules, 1958 are applicable to the Company.

**15. The Employees’ Compensation Act, 1923 (the “ECA”)**

The ECA has been enacted with the objective to provide for the payment of compensation to workmen by employers for injuries caused by accident(s) arising out of and in the course of employment, and for occupational diseases resulting in death or disablement. The ECA makes every employer liable to pay compensation in accordance with the ECA if a personal injury/disablement/ loss of life is caused to a workman by accident arising out of and in the course of his employment. In case the employer fails to pay compensation due under the ECA within 1 (one) month from the date it falls due, the commissioner appointed under the ECA may direct the employer to pay the compensation amount along with interest and may also impose a penalty.

**16. The Micro, Small and Medium Enterprises Development Act, 2006 and Industries (Development and Regulation) Act, 1951 (“MSMED Act”)**

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

enterprise engaged in the manufacture or production of goods as specified hereinabove, file a memorandum of micro, small or medium enterprise, as the case may be, with the prescribed authority.

## **B. ENVIRONMENTAL REGULATIONS:**

Our Company is also required to obtain clearances under the Environment (Protection) Act, 1986, and other environmental laws such as the Water (Prevention and Control of Pollution) Act, 1974, the Water (Prevention and Control of Pollution) Cess Act, 1977 and the Air (Prevention and Control of Pollution) Act, 1981, before commencing its operations. To obtain an environmental clearance, a no-objection certificate from the concerned state pollution control board must first be obtained, which is granted after a notified public hearing, submission and approval of an environmental impact assessment ("EIA") report and an environment management plan ("EMP").

Our Company must also comply at all times with the provisions of The Hazardous Waste (Management and Handling) Rules, 1989, as amended, and as superseded by the Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008, and the Manufacture, Storage and Import of Hazardous Chemicals Rules, 1989.

### **1. Environment Protection Act, 1986 and Environment (Protection) Rules, 1986:**

The Environmental Protection Act, 1986 is an "umbrella" legislation designed to provide a framework for co-ordination of the activities of various central and state authorities established under various laws. The potential scope of the Act is broad, with "environment" defined to include water, air and land and the interrelationships which exist among water, air and land, and human beings and other living creatures, plants, micro-organisms and property.

### **2. Water :**

Legislations to control water pollution are listed below:

The *Water (Prevention and Control of Pollution) Act, 1974* prohibits the discharge of pollutants into water bodies beyond a given standard, and lays down penalties for non-compliance. The Water Act also provides that the consent of the State Pollution Control Board must be obtained prior to opening of any new outlets or discharges, which is likely to discharge sewage or effluent.

The *Water (Prevention and Control of Pollution) Cess Act, 1977* provides for the levy and collection of a cess on water consumed by persons carrying on certain industries and by local authorities, with a view to augment the resources of the Central Board and the State Boards for the prevention and control of water pollution constituted under the Water (Prevention and Control of Pollution) Act, 1974.

### **3. Air:**

Legislations to control air pollution are listed below:

The *Air (Prevention and Control of Pollution) Act, 1981* requires that any individual or institution responsible for emitting smoke or gases by way of use as fuel or chemical reactions must apply in a prescribed form and obtain consent from the state pollution control board prior to commencing any activity. National Ambient Air Quality Standards (NAAQS) for major pollutants were notified by the Central Pollution Control Board in April 1994.

### **4. Hazardous Wastes:**

There are several legislations that directly or indirectly deal with hazardous wastes. The relevant legislations are:

- The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008;
- The Public Liability Insurance Act, 1991

## ***Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008:***

These rules require that the occupier and the operator of the facility, that treats hazardous wastes, must properly collect, treat, store or dispose the hazardous wastes without adverse effects on the environment.

### **C. TAX RELATED LEGISLATIONS:**

#### **1. Income-tax Act, 1961 (“IT Act”)**

The IT Act is applicable to every Company, whether domestic or foreign whose income is taxable under the provisions of the IT Act or Rules made thereunder depending upon its “Residential Status” and “Type of Income” involved. The IT Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every Company assessable to income tax under the IT Act is required to comply with the provisions thereof, including those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like. Every such Company is also required to file its returns by September 30 of each assessment year.

#### **2. Central Goods and Services Tax Act, 2017 (“CGST Act”)**

The CGST Act regulates the levy and collection of tax on the intra- State supply of goods and services by the Central Government or State Governments. The CGST Act amalgamates a large number of Central and State taxes into a single tax. The CGST Act mandates every supplier providing the goods or services to be registered within the State or Union Territory it falls under, within 30 days from the day on which he becomes liable for such registration. Such registrations can be amended, as well as cancelled by the proper office on receipt of application by the registered person or his legal heirs. There would be four tax rates namely 5%, 12%, 18% and 28%. The rates of GST applied are subject to variations based on the goods or services.

#### **3. Professional Tax**

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution. The professional taxes are classified under various tax slabs in India. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner. Every person liable to pay tax under these Acts (other than a person earning salary or wages, in respect of whom the tax is payable by the employer), shall obtain a certificate of enrolment from the assessing authority. The Andhra Pradesh Tax on Profession Trade, Calling and Employment Act, 1987 is applicable to our Company.

### **D. OTHER LEGISLATIONS:**

#### **1. Transfer of Property Act, 1882 (“T.P. Act.”)**

The transfer of property, including immovable property, between living persons, as opposed to the transfer property by operation of law, is governed by the T.P. Act. The T.P. Act establishes the general principles relating to the transfer of property, including among other things, identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. Transfer of property is subject to stamping and registration under the specific statutes enacted for the purposes which have been dealt with hereinafter.

The T.P. Act recognizes, among others, the following forms in which an interest in an immovable property may be transferred:

- **Sale:** The transfer of ownership in property for a price, paid or promised to be paid.



- **Mortgage:** The transfer of an interest in property for the purpose of securing the payment of a loan, existing or future debt, or performance of an engagement which gives rise to a pecuniary liability. The T.P. Act recognises several forms of mortgages over a property.
- **Charges:** Transactions including the creation of security over property for payment of money to another which are not classifiable as a mortgage. Charges can be created either by operation of law, e.g. decree of the court attaching to specified immovable property, or by an act of the parties.
- **Leases:** The transfer of a right to enjoy property for consideration paid or rendered periodically or on specified occasions.
- **Leave and License:** The transfer of a right to do something upon immovable property without creating interest in the property.

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

## 2. **The Registration Act, 1908 (“Registration Act”)**

The Registration Act was passed to consolidate the enactments relating to the registration of documents. The main purpose for which the Registration Act was designed was to ensure information about all deals concerning land so that correct land records could be maintained. The Registration Act is used for proper recording of transactions relating to other immovable property also. The Registration Act provides for registration of other documents also, which can give these documents more authenticity. Registering authorities have been provided in all the districts for this purpose.

## 3. **The Indian Contract Act, 1872 (“Contract Act”)**

The Indian Contract Act codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. A person is free to contract on any terms he chooses. The Contract Act consists of limiting factors subject to which contract may be entered into, executed and the breach enforced. It provides a framework of rules and regulations that govern formation and performance of contract. The contracting parties themselves decide the rights and duties of parties and terms of agreement.

## 4. **The Specific Relief Act, 1963 (“Specific Relief Act”)**

The Specific Relief Act is complimentary to the provisions of the Contract Act and the Transfer of Property Act, as the Act applies both to movable property and immovable property. The Specific Relief Act applies in cases where the Court can order specific performance of a contract. Specific relief can be granted only for purpose of enforcing individual civil rights and not for the mere purpose of enforcing a civil law. ‘Specific performance’ means Court will order the party to perform his part of agreement, instead of imposing on him any monetary liability to pay damages to other party.

## 5. **Consumer Protection Act, 1986**

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

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

## 6. Competition Act, 2002 (“Competition Act”)

The Competition Act aims to prevent anti-competitive practices that cause or are likely to cause an appreciable adverse effect on competition in the relevant market in India. The Competition Act regulates anti-competitive agreements, abuse of dominant position and combinations. The Competition Commission of India (“**Competition Commission**”) which became operational from May 20, 2009 has been established under the Competition Act to deal with inquiries relating to anti-competitive agreements and abuse of dominant position and regulate combinations. The Competition Act also provides that the Competition Commission has the jurisdiction to inquire into and pass orders in relation to an anti-competitive agreement, abuse of dominant position or a combination, which even though entered into, arising or taking place outside India or signed between one or more non-Indian parties, but causes an appreciable adverse effect in the relevant market in India.

## 7. Companies Act, 1956 and Companies Act, 2013

The Companies Act, 2013 (“**Companies Act**”), has been introduced to replace the existing Companies Act, 1956 in a phased manner. The Companies Act deals with laws relating to companies and certain other associations. The Companies Act primarily regulates the formation, financing, functioning and winding up of companies. The Companies Act prescribes regulatory mechanism regarding all relevant aspects, including organizational, financial and managerial aspects of companies. It deals with issue, allotment and transfer of securities and various aspects relating to company management. It provides for standard of disclosure in public issues of capital, particularly in the fields of company management and projects, information about other listed companies under the same management, and management perception of risk factors.

## 8. The Trademarks Act, 1999 (“Trademarks Act”)

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

## E. REGULATIONS REGARDING FOREIGN INVESTMENT

Foreign investment in companies in the roadway transport industry is governed by the provisions of the FEMA read with the applicable regulations. The Department of Industrial Policy and Promotion (“**DIPP**”), Ministry of Commerce and Industry has issued ‘Consolidated FDI’ (“**FDI Policy**”) which consolidates the policy framework on Foreign Direct Investment (“**FDI**”), with effect from August 28, 2017. The FDI Circular consolidates and subsumes all the press notes, press releases, and clarifications on FDI issued by DIPP till August 27, 2017. All the press notes, press releases, clarifications on FDI issued by DIPP till August 27, 2017 stand rescinded as on August 28, 2017. Vide an Office Memorandum dated June 5, 2017 (“**Office Memorandum**”), issued by Ministry of Finance, Department of Economic Affairs the Government of India has abolished Foreign Investment Promotion Board (“**FIPB**”).

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

The RBI, in exercise of its power under the FEMA, has also notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 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.

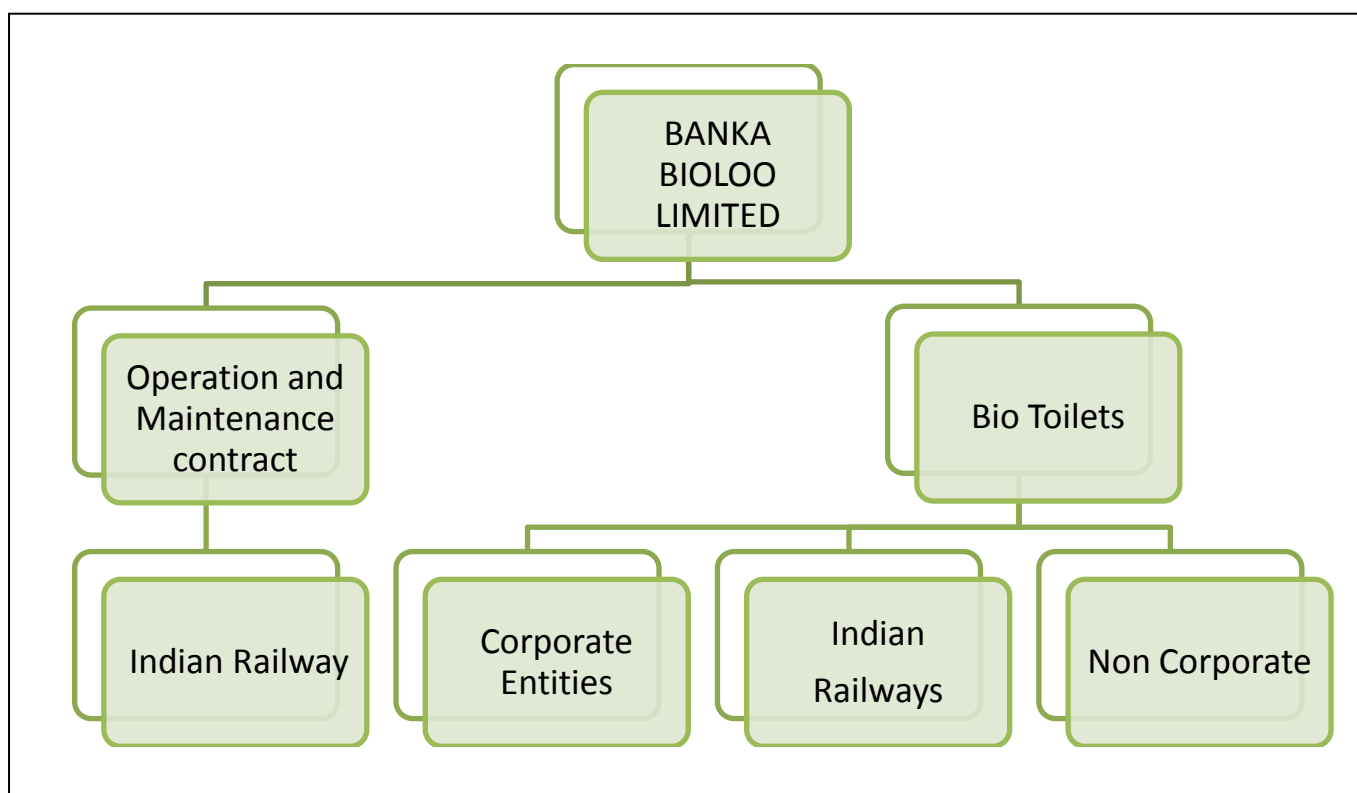
## HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was incorporated as Banka BioLoo Private Limited on August 31, 2012 under the Companies Act, 1956 with the Registrar of Companies, Hyderabad bearing Registration No. 082811. The status of our Company was changed to a public limited company and the name of our Company was changed to Banka BioLoo Limited by a special resolution passed on November 13, 2017. A fresh Certificate of Incorporation consequent upon conversion was issued on November 15, 2017 by the Registrar of Companies, Hyderabad. The Company's Corporate Identity Number is U90001AP2012PLC082811.

### ***Our Business***

Our company was incorporated in 2012 with an aim to provide sanitation infrastructure and hygienic solutions for human waste treatment and disposal. After receiving our certificate of incorporation, we have taken over the running business of our promoter, 'Banka Enterprises', a sole proprietorship through a business takeover agreement dated Feb 1, 2013. For further details please refer to "*History and other corporate matters*" beginning on page no. 110 of this Draft Prospectus.

We focus on giving sanitation solutions to those who do not have access to toilets, as well as to those who have toilets but face trouble treating and managing the waste. We provide sanitation infrastructure and human waste management solutions and services, involving innovative and simple bio-digester technology patented by Defence Research and Development Organisation (DRDO), the R&D arm of the Indian Ministry of Defence. The anaerobic bio-digester technology helps users manage waste onsite, without depending on expensive and energy-consuming sewage infrastructure. Further, we also provide sanitation operations and maintenance (O&M) services to Indian Railways. Our business model is illustrated below



We have installed over 6,000 bio-toilet units across India and currently undertake 12 O&M service contracts with Indian Railways. For our innovation and continuous contribution for betterment of society, we have been recognized and acclaimed, nationally and globally, a few noteworthy are below:

- Carter Women's Initiative Award – Asia-Pacific Laureate
- Devi Award by Indian Express
- IMC Innovation Award - Finalist

- Changing Markets Award
- Recognized by Business Outlook
- Sankalp Award for Health, Water and Sanitation



Our solutions can be used for many purposes, few of which are:

- Household Bio-toilets
- Mobile Bio-toilets
- School Bio-toilet Blocks
- Bio-toilets at worksites

Bio-digester Tanks for various user groups

Our Company has Thirteen (13) shareholders, as on the date of this Draft Prospectus.

### Major Events

Month and Year	MILESTONE
April 2008	Banka Enterprises started as a sole proprietorship
2009-2011	Liaised with and supplied CDTs items to Railways, built base as a reliable vendor
Jan 2012	Signed Transfer of Technology Agreement with DRDO for Bio-Digester Technology
June 2012	National launch by Jairam Ramesh of 6 bio-toilet installations in Odisha
Aug 2012	Bagged development order of Bio-retention tanks from Integral Coach Factory
Aug 2012	Company Incorporation
Sep 2012	Set up Steel Bio-tanks (for Railways) manufacturing unit in Hyderabad with imported machinery
Feb 2013	Entered business taken over agreement for acquisition of Banka Enterprises
Mar 2013	Credit rating by NSIC - D&B – SMERA
Apr 2013	Received Sankalp Award in Health, Water & Sanitation, Mumbai
May 2013	Registered as an approved vendor for Bio-tanks & Contracts in Railways
Sep 2013	Bagged 2-year annual service contract for CDTs from Eastern Railways, moving to a multi-year contract system
Oct 2013	Received - Cartier Women's Initiative Award in Paris, Namita selected the Asia-Pacific Laureate
Oct 2013	Bagged order for 400 bio-retention tanks from Integral Coach Factory
Oct 2013	Changing Markets Awards, at IBF, Istanbul
Nov 2013	Indian Merchants Chamber Inclusive Innovation Awards (among 5 finalists)
Apr 2014	Entered North East India, Assam, installing bio-toilets in plantations
Jul 2014	Invited to speak at Multi-Stakeholder Consultation on "Sustainable, Appropriate and Cost Effective Sanitation in Rural Bihar"
Nov 2014	Completion of inoculum generation plant in Aler, 70 km from Hyderabad, on company's own land
Mar 2015	Forayed in school sanitation program, bagging a multi-state order from a cement major
Apr 2015	Bagged a ₹ 5 crore bio-toilets and borewell - handpumps order from a Maharatna PSU under CSR

Month and Year	MILESTONE
	program of Swachh Bharat Swachh Vidyalaya
Jul 2015	Began school sanitation program within a public company's CSR program, later it became a multi-year project
Aug 2015	Set-up toilet super-structure manufacturing plant in Alwar
Sep 2015	Selected one of 14 innovators supporting SDGs of 838 submissions, invited to present at Solutions Summit held at UN
Oct 2015	Invited to speak at Annual Women's Forum in France, Women's Forum for the Economy & Society
Apr 2016	Operations and maintenance of bio-toilets and CDTs in trains becomes a large business segment, with 10 contracts in progress
Jun 2016	Mr. Sanjay banka was elected as first Private Sector Steering Committee Member of Sanitation and Water for All
Jun 2017	Invited to Innovate 4 Water, WIPO, Waterpreneurs, Watervent, held in Switzerland
Jul 2017	Invited to Speak at UN HLPF SDG Business Forum, organized by ICC, UNGC, UNDESA, held in NY, USA
Aug 2017	Began Railways' O&M contract in Guwahati, time to re-focus on North-East India, with pilot bio-toilets in Arunachal Pradesh
Sep 2017	Bagged single largest 1-year O&M contract from Railways

## MAIN OBJECTS

The main object of our Company is as follows:

- To manufacture, formulate, set up, maintain, purchase, sell and to deal in bio-digester plants, bacteria generation plant, inoculum generation plant, bio-gas generation plant, bio-slur generation plant, biological tanks, mobile bio toilets, septic tanks, control discharged toilets system (CDTS), grey water systems, waste water treatment recycling system, and to set such other plants or systems related to sanitation, water recycling and human waste management across the world.
- To manufacture purchase, sell, import, export or generally deal in and to act as brokers, agents, stockiest, distributor, supplier, commission agents of all kinds of sanitary products of any description, faucets, tiles, marbles, mirrors, extractor fans, slams, sinks, stones, and all other related accessories for Railways, Government and private organizations, Airports, hotels, commercial or residential premises across the world and to do all activities inconconnection therewith or ancillary thereof.
- To take over the existing running proprietorship business of M/s Banka Enterprises.

## CHANGES IN REGISTERED OFFICE OF OUR COMPANY

Date of Change of Registered Office	Address
Incorporation	Since Incorporation our Registered office is situated at Plot no 11-4-651, A – 109, Express Apartment, Lakdi ka Pool, Hyderabad – 500 004.

## 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
December 14, 2012	Alteration of the Main Object Clause in compliance with Section 18(1)(A) of Companies Act 1956.
February 15, 2013	The Increase in the Authorised Capital from ₹ 5,00,000 divided into 50,000 Equity Shares of ₹ 10 to ₹ 20,00,000 divided into 2,00,000 Equity Shares of ₹ 10.
October 27, 2017	The Increase in the Authorised Capital from ₹ 20,00,000 divided into 2,00,000 Equity shares of ₹ 10 to ₹ 5,00,00,000 divided into 50,00,000 Equity shares of ₹ 10.



Date	Nature of Amendment
November 13, 2017	Adoption of New MoA as per the Companies Act, 2013
November 15, 2017	Conversion from a Private Limited to Public Limited.

## **SUBSIDIARIES**

As on the date of this Draft Prospectus, we don't have any subsidiary company.

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

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

## **HOLDING COMPANY**

As on the date of this Draft Prospectus, our Company does not have any holding company within the meaning of Companies Act, 1956.

## **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.

## **ACQUISITION OF BUSINESS / UNDERTAKINGS**

Other than the acquisition of the M/s Banka Enterprises in the year 2012- 13, our Company has not acquired any other business or undertaken any mergers, amalgamation, revaluation of assets in the last five years.

## **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.

## **INJUNCTIONS OR RESTRAINING ORDERS**

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

## OUR MANAGEMENT

### Board of Directors:

Our Company has Eight (8) Directors consisting of four (4) Executive Director, one (1) Non Executive Director and three (3) Non Executive Independent Directors. 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
<b>Mrs. Namita Banka</b> <i>Chairman &amp; Managing Director</i>  <b>Address:</b> A – 111, Express Apartment, Lakdi ka Pool, Hyderabad – 500 004  <b>Date of appointment as Director:</b> August 31, 2012  <b>Date of appointment as Chairman and Managing Director:</b> November 01, 2017  <b>Term:</b> Appointed as Chairman and Managing Director for a period of Three years i.e. till October 30, 2020.  <b>Occupation:</b> Business  <b>DIN:</b> 05017358	Indian	44 Years	<ul style="list-style-type: none"> <li>• Vinraa Technology LLP</li> </ul>
<b>Mr. Akhilesh Kumar Tripathi</b> <i>Whole Time Director</i>  <b>Address:</b> A 505, Brindavan Apartment, Lakdi ka Pool, Near Ganga Jamuna Bakery, Hyderabad – 500 004  <b>Date of appointment as Director:</b> August 31, 2012  <b>Date of appointment as Whole Time Director:</b> November 01, 2017  <b>Term:</b> Appointed as Whole Time Director for a period of Three years i.e. till October 30, 2020.  <b>Occupation:</b> Business  <b>DIN:</b> 05338290	Indian	44 Years	NIL
<b>Mr. Sanjay Banka</b> <i>Whole Time Director</i>  <b>Address:</b> A – 111, Express Apartment, Lakdi ka Pool, Hyderabad – 500 004  <b>Date of appointment as Director:</b> February 02, 2014  <b>Date of appointment as Whole Time Director:</b> November 01, 2017	Indian	48 Years	NIL

Name, Current Designation, Address, Occupation, Term and DIN	Nationality	Age	Other Directorships
<p><b>Term:</b> Appointed as Whole Time Director for a period of Three years i.e. till October 30, 2020.</p> <p><b>Occupation:</b> Business</p> <p><b>DIN:</b> 06732600</p>			
<p><b>Mr. T V Rama Krishna</b> <i>Whole Time Director</i></p> <p><b>Address:</b> Plot No 14, H. No. 8-40/3/12/C, Hema Nagar, Navodaya Colony, Uppal, Hyderabad – 500 039</p> <p><b>Date of appointment as Whole Time Director:</b> November 01, 2017</p> <p><b>Term:</b> Appointed as Whole Time Director for a period of Three years i.e. till October 30, 2020.</p> <p><b>Occupation:</b> Services</p> <p><b>DIN:</b> 07977695</p>	Indian	47 Years	NIL
<p><b>Mr. Vishal Murarka</b> <i>Non Executive Director</i></p> <p><b>Address:</b> Flat No. 103, 1<sup>st</sup> Floor, Tower C, Oberoi Springs, Off New Link Road, Andheri (West), Mumbai- 400 053.</p> <p><b>Date of Appointment as Non-Executive Director:</b> November 01, 2017</p> <p><b>Term:</b> Liable to retire by rotation</p> <p><b>Occupation:</b> Services</p> <p><b>DIN:</b> 06729485</p>	Indian	43 Years	NIL
<p><b>Mrs. Geeta Goti</b> <i>Non Executive Independent Director</i></p> <p><b>Address:</b> My Home Navadweepa Apartments, Madhapur, Serilingampally, Rangareddy – 500 081.</p> <p><b>Date of Appointment as Non Executive Independent Director:</b> November 01, 2017</p> <p><b>Term:</b> Appointed as Non Executive Independent Director for a period of Five years i.e. till October 30, 2022</p> <p><b>Occupation:</b> Services</p> <p><b>DIN:</b> 06866598</p>	Indian	51 Years	<ul style="list-style-type: none"> <li>• Husys Consulting Limited</li> <li>• The National Small Industries Corporation Limited</li> </ul>

Name, Current Designation, Address, Occupation, Term and DIN	Nationality	Age	Other Directorships
<b>Mr. Sandip Poddar</b> <i>Non Executive Independent Director</i>  <b>Address:</b> Flat No 106, Lilac Block, Lotus Arcadia Apartments, Whitefield B P Raju Marg, Serilingampally, Rangareddy – 500 084.  <b>Date of Appointment as Non Executive Independent Director:</b> November 01, 2017  <b>Term:</b> Appointed as Non Executive Independent Director for a period of Five years i.e. till October 30, 2022  <b>Occupation:</b> Services  <b>DIN:</b> 07864347	Indian	48 Years	NIL
<b>Mr. Jayant Kumar</b> <i>Non Executive Independent Director</i>  <b>Address:</b> Flat No. 2200, Building 5B, Lodha Bellezza, KPHB Colony, Kukatpally, Hyderabad-500 072  <b>Date of Appointment as Non Executive Independent Director:</b> November 01, 2017  <b>Term:</b> Appointed as Non Executive Independent Director for a period of Five years i.e. till October 30, 2022  <b>Occupation:</b> Business  <b>DIN:</b> 06866598	Indian	72 Years	<ul style="list-style-type: none"> <li>• Siddhi Ceracolours Private Limited</li> <li>• Sukaso Ceracolors Private Limited</li> </ul>

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

**Notes:**

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

---

**BRIEF BIOGRAPHIES OF OUR DIRECTORS****Mrs. Namita Banka**

Mrs. Namita Banka, aged 44 years, is Chairman & Managing Director of our Company. She is one of the founding members of our Company. She completed her Bachelor of Science (Home Science) from University of Delhi and also completed her Diploma in Jewellery Designing, Mfg. & Appraising from Indian Diamond Institute. Mrs. Namita Banka has 8 years of experience in the field of diamond jewellery. In 2008, she began her entrepreneur venture of BioLoo in proprietor concern, later on which was acquired by our Company. She has been the main guiding force behind the growth and business strategy of our Company. She has now almost a decade of sanitation industry experience and has been instrumental in the consistent growth of our Company's performance.

**Mr. Akhilesh Kumar Tripathi**

Mr. Akhilesh Kumar Tripathi, aged 44 years, is the Whole Time Director of our Company. He is one of the founding members of our Company. He completed his Diploma in Automobile Engineering from Board of Technical Examinations, Maharashtra State. Prior to joining this company, he has almost two decades of experience in automobile, production and operational planning in renowned companies such as Bajaj Auto Ltd, TVS Motor etc. He has been an executive board member of the Company since its incorporation and looks after day-to-day technical and managerial aspects of the Company

**Mr. Sanjay Banka**

Mr. Sanjay Banka, aged 48 years, is the Whole Time Director of our Company. He completed his Bachelor of General Law from South Gujarat University, Surat and Master of Business Administration (MBA) from Stuttgart Institute of Management and Technology, Germany. Prior to joining our Company, Mr. Sanjay Banka has more than two decades of experience working in senior positions with MNCs such as HSBC, Reuters and GlobalData in areas of financial services, business and industry research on global companies across industries. His functional responsibility is developing industry networks for further business development, setting up the key processes for scaling up, building national and international partnerships and collaborations.

**Mr. T V Rama Krishna**

Mr. T V Rama Krishna, aged 47 years, is the Whole Time Director of our Company. He completed his Diploma in Industrial Relations and Personnel Management from Bharatiya Vidya Bhavan and Bachelor of Commerce from Nagarjuna University. He has more than two decade of experience in the field of Financial & Accounts, Finalisation of Accounts, Fund Management, Financial Planning, Budgeting, MIS & Financial Report, Auditing, Direct and Indirect Taxation, Statutory Compliance and Company Law Matters. His functional responsibility involves handling the overall financial activity of our Company

**Mr. Vishal Murarka**

Mr. Vishal Murarka, aged 43 years, is the Non Executive Director of our Company. He completed his Post Graduate Program in Management from Indian School of Business, Hyderabad. He has almost two decades of experience in real estate, infrastructure and technology expertise in real estate across investment strategy, asset management, land acquisition, valuation, due diligence and closures. Currently, he is working as AVP in one of the large construction companies in Mumbai.

**Mrs. Geeta Goti**

Mrs. Geeta Goti, aged 51 years, is the Non Executive Independent Director of Our Company. She completed his Bachelor of Commerce from Osmania University and Master of Social Work from Osmania University. She has 28 years experience in field of Human Resources. Her consulting experience is across various companies dealing with agriculture, airlines, FMCG, Banking, IT services and NGOs in countries like US, UAE, Sri Lanka apart from India. She also serves as National President at Confederation of Women Entrepreneurs of India.

**Mr. Sandip Poddar**

Mr. Sandip Poddar, aged 48 years is the Non Executive Independent Director of our Company. He completed his Master of Business Administration (MBA) from Banaras Hindu University and Passed Intermediate Program of

Institute of Cost & Works Accountants of India (ICWAI). He has vast management experience in P&L responsibility, talent management, customer satisfaction and quality, account management. Over the years, he expertise in market/ competitive intelligence, industry studies, business/market research & investment research.

**Mr. Jayant Kumar**

Mr. Jayant Kumar, aged 72 years is the Non Executive Independent Director of Our Company. He completed his Bachelor of Technology in Mechanical Engineering from Indian Institute of Technology, Delhi and is a Chartered Engineer member of The Institution of Engineers (India). Before starting his owned business, Mr. Jayant Kumar has worked with Voltas and Shriram Group. Currently he is Chairman of Sukaso Ceracolors Private Limited.

**RELATIONSHIP BETWEEN DIRECTORS**

Except as stated below, none of the Directors of the Company are related to each other:

- Mr. Sanjay Banka is husband of Mrs. Namita Banka
- Mr. Vishal Murarka is brother of Mrs. Namita Banka

**Borrowing Powers of our Board of Directors**

Our Company at its Extra-Ordinary General Meeting held on October 27, 2017 passed a resolution authorizing Board of Directors pursuant to the provisions of section 180 (1) (c) of the Companies Act, 2013 for borrowing from time to time any sum or sums of money from any person(s) or bodies corporate (including holding Company) or any other entity, whether incorporated or not, on such terms and conditions as the Board of Directors may deem fit for the purpose of the Company's business. The monies so borrowed together with the monies already borrowed by our Company (apart from temporary loans obtained from the banks in the ordinary course of business) may exceed the aggregate of the paid up share capital of our Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount of such borrowings together with the amount already borrowed and outstanding shall not, at any time, exceed ₹ 50 crores.

**REMUNERATION OF EXECUTIVE DIRECTORS****Mrs. Namita Banka, Chairman & Managing Director**

The remuneration of our Managing Director, Mrs. Namita Banka as per resolution passed in the Extra Ordinary General Meeting held on October 27, 2017 is detailed hereunder:

Salary: ₹ 35.00 lakhs per annum inclusive of any remuneration directly or otherwise or by way of salary and allowances, performance based rewards/ incentives for a period of three years.

Remuneration paid to Mrs. Namita Banka for FY 2016-17 was ₹ 16.02 lakhs

**Mr. Akhilesh Kumar Tripathi, Whole Time Director**

The remuneration of our Whole Time Director, Mr. Akhilesh Kumar Tripathi as per resolution passed in the Extra Ordinary General Meeting held on October 27, 2017 is detailed hereunder:

Salary: ₹ 25.00 lakhs per annum inclusive of any remuneration directly or otherwise or by way of salary and allowances, performance based rewards/ incentives for a period of three years.

Remuneration paid to Mr. Akhilesh Kumar Tripathi for FY 2016-17 was ₹ 12.00 lakhs

**Mr. Sanjay Banka, Whole Time Director**

The remuneration of our Whole Time Director, Mr. Sanjay Banka as per resolution passed in the Extra Ordinary General Meeting held on October 27, 2017 is detailed hereunder:

Salary: ₹ 25.00 lakhs per annum inclusive of any remuneration directly or otherwise or by way of salary and allowances, performance based rewards/ incentives for a period of three years.



Remuneration paid to Mr. Sanjay Banka for FY 2016-17 was ₹ 17.07 lakhs

#### **Mr. T V Rama Krishna, Whole Time Director**

The remuneration of our Whole Time Director, Mr. T V Rama Krishna as per resolution passed in the Extra Ordinary General Meeting held on October 27, 2017 is detailed hereunder:

Salary: ₹ 25.00 lakhs per annum inclusive of any remuneration directly or otherwise or by way of salary and allowances, performance based rewards/ incentives for a period of three years.

Remuneration paid to Mr. T V Rama Krishna for FY 2016-17 was ₹ 7.52 lakhs<sup>(1)</sup>

<sup>(1)</sup> Before appointing as director, Mr. T V Rama Krishna was an employee of our Company and paid normal salary

#### **Compensation to the Non Executive Directors and Non Executive Independent Director**

Pursuant to a resolution passed at the meeting of the Board of the Company on November 16, 2017 the Non Executive Directors and Non Executive Independent Director will be paid ₹ 5,000/- for attending every Board Meeting of the Company & ₹ 5,000/- will be paid for every committee meeting of the Company attended by them..

Remuneration paid to our Non-Executive Directors and Non Executive Independent Director in Fiscal 2017: Nil

#### **Shareholding of Directors**

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

<b>Name of Directors</b>	<b>No. of Equity Shares held</b>	<b>% of Pre-Issue Paid Up Capital</b>
Mrs. Namita Banka	18,90,168	62.70%
Mr. Akhilesh Kumar Tripathi	3,06,696	10.17%
Mr. Sanjay Banka	28,800	0.96%
Mr. T V Rama Krishna	-	-
Mr. Vishal Murarka	4,68,696	15.55%
Mrs. Geeta Goti	-	-
Mr. Sandip Poddar	-	-
Mr. Jayant Kumar	-	-
<b>Total Holding of Directors</b>	<b>26,94,360</b>	<b>89.38%</b>
<b>Total Paid up Capital</b>	<b>30,14,448</b>	<b>100.00%</b>

#### **Interest of the Directors**

All of our Directors may be deemed to be interested to the extent of fees payable to them for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them under our Articles of Association, and to the extent of remuneration paid to them for services rendered as an officer or employee of our Company.

Our Directors may also be regarded as interested in the Equity Shares, if any, held by them or allotted to the companies in which they are interested as Directors, Members, and Promoter, pursuant to this 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 XXXII - Related Party Transactions” beginning on page nos. 114 and 154 of this Draft Prospectus respectively, our Directors do not have any other interest in our business.

Except as disclosed in “Properties” within the section titled “Our Business” on page no. 100 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. Further, except as disclosed in “Properties” within the section titled “Our Business” on page no. 100 of this Draft Prospectus, our Company has not taken any property on lease from our Promoter 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	Mrs. Namita Banka	November 01, 2017	Change in Designation as Chairman & Managing Director
2	Mr. Akhilesh Kumar Tripathi	November 01, 2017	Change in Designation as Whole Time Director
3	Mr. Sanjay Banka	November 01, 2017	Change in Designation as Whole Time Director
4	Mr. T V Rama Krishna	November 01, 2017	Appointment as Whole Time Director
5	Mr. Vishal Murarka	November 01, 2017	Appointment as Non Executive Director
6	Mrs. Geeta Goti	November 01, 2017	Appointment as Non Executive Independent Director
7	Mr. Sandip Poddar	November 01, 2017	Appointment as Non Executive Independent Director
8	Mr. Jayant Kumar	November 01, 2017	Appointment as Non Executive Independent Director

## Corporate Governance

The provisions of the SEBI (LODR) Regulations, 2015 with respect to corporate governance will be applicable to us immediately upon the listing of our Equity Shares with the Stock Exchanges. We are in compliance with the requirements of the applicable regulations, including the SEBI (LODR) Regulations, 2015, the SEBI Regulations and the Companies Act, in respect of corporate governance including constitution of the Board and committees thereof. The corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

Our Board has been constituted in compliance with the Companies Act and SEBI (LODR) Regulations, 2015. The Board functions either as a full board or through various committees constituted to oversee specific functions. Our executive management provides our Board detailed reports on its performance periodically.

Currently, our Board has eight (8) Directors. In compliance with the requirements of the Companies Act we have four (4) Executive Director, one (1) Non Executive Director and three (3) Non Executive Independent Directors on our Board. Our Chairman is an Executive Director and we have two woman directors on our Board.

## Committees of our Board

We have constituted the following committees of our Board of Directors for compliance with Corporate Governance requirements:

1. Audit Committee
2. Stakeholder's Relationship Committee
3. Nomination and Remuneration Committee

### 1. Audit Committee

The Audit Committee of our Board was constituted by our Directors by a board resolution dated 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
Mr. Sandip Poddar	Non Executive Independent Director	Chairman
Mr. Jayant Kumar	Non Executive Independent Director	Member
Mr. T V Rama Krishna	Whole Time Director	Member

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

- a) Oversight of the Issuer's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

- b) Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- d) Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013
  - Changes, if any, in accounting policies and practices and reasons for the same
  - Major accounting entries involving estimates based on the exercise of judgment by management
  - Significant adjustments made in the financial statements arising out of audit findings
  - Compliance with listing and other legal requirements relating to financial statements
  - Disclosure of any related party transactions
  - Qualifications in the draft audit report.
- e) Reviewing, with the management, the half yearly financial statements before submission to the board for approval
- f) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- g) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- h) Approval or any subsequent modification of transactions of the company with related parties;
- i) Scrutiny of inter-corporate loans and investments;
- j) Valuation of undertakings or assets of the company, wherever it is necessary;
- k) Evaluation of internal financial controls and risk management systems;
- l) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- m) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- n) Discussion with internal auditors any significant findings and follow up there on.
- o) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- p) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- q) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- r) To review the functioning of the Whistle Blower mechanism.
- s) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
- t) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Explanation (i): The term "related party transactions" shall have the same meaning as contained in the Accounting Standard 18, Related Party Transactions, issued by The Institute of Chartered Accountants of India.

Explanation (ii): If the Issuer has set up an audit committee pursuant to provision of the Companies Act, the said audit committee shall have such additional functions / features as is contained in this clause.

*The Audit Committee enjoys following powers:*

- a) To investigate any activity within its terms of reference
- b) To seek information from any employee
- c) To obtain outside legal or other professional advice
- d) To secure attendance of outsiders with relevant expertise if it considers necessary
- e) The audit committee may invite such of the executives, as it considers appropriate (and particularly the head of the finance function) to be present at the meetings of the committee, but on occasions it may also meet without the presence of any executives of the Issuer. The finance director, head of internal audit and a representative of the statutory auditor may be present as invitees for the meetings of the audit committee.

*The Audit Committee shall mandatorily review the following information:*

- a) Management discussion and analysis of financial condition and results of operations;
- b) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d) Internal audit reports relating to internal control weaknesses; and
- e) The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

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

*Meeting of Audit Committee*

The audit committee shall meet at least four times in a year and not more than one hundred and twenty days shall elapse between two meetings. The quorum shall be either two members or one third of the members of the audit committee whichever is greater, but there shall be a minimum of two independent members present.

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

The Shareholder and Investor Grievance Committee of our Board were constituted by our Directors pursuant to section 178 (5) of the Companies Act, 2013 by a board resolution dated November 16, 2017. The Shareholder and Investor Grievance Committee comprises of:

Name of the Member	Nature of Directorship	Designation in Committee
Mr. Jayant Kumar	Non Executive Independent Director	Chairman
Mrs. Geeta Goti	Non Executive Independent Director	Member
Mr. Sanjay Banka	Whole Time Director	Member

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.

### ***Quorum and Meetings***

The quorum necessary for a meeting of the Stakeholders Relationship Committee shall be two members or one third of the members, whichever is greater.

### **3. Nomination and Remuneration Committee**

The Nomination and Remuneration Committee of our Board was constituted by our Directors pursuant to section 178 of the Companies Act, 2013 by a board resolution dated November 16, 2017.

The Nomination and Remuneration Committee currently comprises of:

<b>Name of the Member</b>	<b>Nature of Directorship</b>	<b>Designation in Committee</b>
Mrs. Geeta Goti	Non Executive Independent Director	Chairman
Mr. Jayant Kumar	Non Executive Independent Director	Member
Mr. Vishal Murarka	Non Executive 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.

### ***Quorum and Meetings***

The quorum necessary for a meeting of the Nomination and Remuneration Committee shall be two members or one third of the members, whichever is greater. The Committee is required to meet at least once a year.

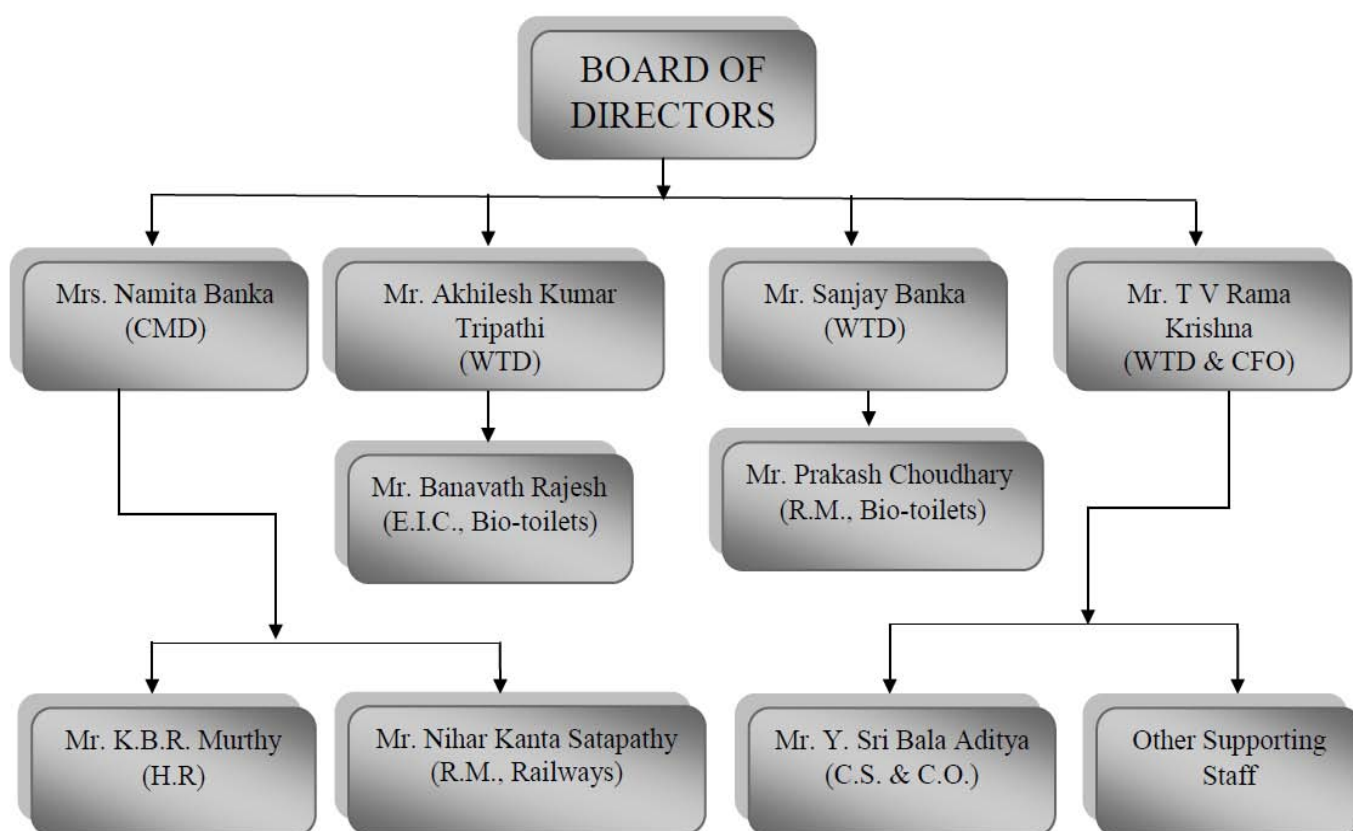
The Company Secretary of our Company acts as the Secretary to the Committee.

## Policy on Disclosures & Internal procedure for prevention of Insider Trading

The provisions of Regulation 8 and 9 of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the Stock Exchange. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of our Equity Shares on stock exchange. Further, Board of Directors have approved and adopted the policy on insider trading in view of the proposed public offer.

Our Board is responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the code of conduct under the overall supervision of the board.

## Management Organization Structure



### Terms & Abbreviations

CMD	- Chairman and Managing Director
WTD	- Whole Time Director
CFO	- Chief Financial Officer
H.R	- Human Resource
R.M. Railways	- Regional Manager, Railways
R.M. Bio-toilets	- Regional Manager, Bio-toilets
E.I.C, Bio-toilets	- Engineer In-Charge, Bio-toilets
C.S. & C.O.	- Company Secretary and Compliance Officer



## 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 (₹ in lakhs)	Qualification	Name of Previous Employer(s)	Total years of Experience
Mr. Y. Sri Bala Aditya	Company Secretary and Compliance Officer	November 15, 2017	Nil	• C.S.	• J Sagar & Associates • L. Jayaraman & Associates	4.5 Years (Including 1.5 years article ship)
Mr. K.B.R. Murthy	Head Human Resource	December 01, 2016	1.26	• B. Com • L.L.B	• Miniwool Rockfibres Limited • Sanghi Polyesters Limited • Saint Gobain Vetrotex India Limited • Hard Temp Steels Private Limited • Shree Bajrang Jute Mills Limited	40 Years
Mr. T V Rama Krishna	Chief Financial Officer	August 01, 2016 <sup>(1)</sup>	7.52	• B. Com • Industrial Relations and Personnel Management	• Miniwool Rockfibres Limited • Bartronics India Limited. • United Phosphorus Limited.	24 years
Mr. Banavath Rajesh	Engineer In-Charge, Bio-toilets	June 01, 2016	1.44	• Bachelor of Technology	Nil	1 year
Mr. Prakash Choudhary	Regional Manager, Bio-toilets	December 01, 2015	3.39	• B.SC Hotel Management	• Hotel Shelton Karol Bagh	13 years
Mr. Nihar Kanta Satapath	Regional Manager, Railways	January 02, 2012	2.94	• Bachelors of Arts	• HCL Infosystems Limited • Universal Services • HCL Infosystems Limited	10 years

<sup>(1)</sup> Mr. T V Rama Krishna was initially appointed as Head Finance & Accounts and his designation was changed to Chief Financial Officer from November 01, 2017.

### Other Notes –

The aforementioned KMP are on the payrolls of our Company as permanent employees.

Also, they are not related parties as per the Accounting Standard 18.

### Relationship amongst the Key Managerial Personnel

None of the aforementioned KMP's are related to each other, Also, none of them have been selected pursuant to any arrangement / understanding with major shareholders / customers / suppliers.

### Shareholding of Key Managerial Personnel

None of our KMP's holds any shares of our Company as on the date of this 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 during the last three years**

Our Company does not have fixed bonus / profit sharing plan for any of the employees or key managerial personnel.

### **Loans taken by Key Management Personnel**

None of our Key Managerial Personnel have taken any loan from our Company.

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

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

### **Payment or Benefit to our Officers**

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

### **Changes in the Key Managerial Personnel in the three years preceding the date of filing this 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>Name of Employee</b>	<b>Designation &amp; Functional Area</b>	<b>Date of Appointment</b>
Mr. Y. Sri Bala Aditya	Company Secretary and Compliance Officer	November 15, 2017
Mr. K.B.R. Murthy	Head Human Resource	December 01, 2016
Mr. T V Rama Krishna	Chief Financial Officer	August 01, 2016 <sup>(1)</sup>
Mr. Banavath Rajesh	Engineer In-Charge, Bio-toilets	June 01, 2016
Mr. Prakash Choudhary	Regional Manager, Bio-toilets	December 01, 2015


<sup>(1)</sup>Mr. T V Rama Krishna was initially appointed as Head Finance & Accounts and his designation was changed to Chief Financial Officer from November 01, 2017.

## OUR PROMOTER, PROMOTER GROUP

### Our Promoter:

Mrs. Namita Banka is the core Promoter of our Company

The detail of our Promoter is provided below:

Mrs. Namita Banka	
	<b>PAN:</b> AAGPB8899J
	<b>Passport No.:</b> J7886885
	<b>Driver's License:</b> GJ06/074165/02
	<b>Voter's ID No.:</b> N.A.
	<b>Bank A/c No.:</b> 50100055524545
	<b>Name of Bank &amp; Branch:</b> HDFC Bank, Lakdi-ka-pool, Hyderabad.

*For additional details on the age, background, personal address, educational qualifications, experience, positions / posts, other ventures and Directorships held in the past, please see the chapter titled "Our Management" beginning on page no. 114 of this Draft Prospectus.*

*For details of the build-up of our Promoter shareholding in our Company, please see "Capital Structure –Notes to Capital Structure" on page no. 50 of this Draft Prospectus.*

### Other Undertakings and Confirmations

We confirm that the Permanent Account Number, Bank Account number and Passport number of our Promoter shall be submitted to the Stock Exchange at the time of filing of the Draft Prospectus with the Stock Exchange.

Our Promoter and the members of our Promoter Group have confirmed that they have not been identified as wilful defaulters by the RBI or any other governmental authority.

No violations of securities laws have been committed by our Promoter in the past or are currently pending against them. Our Promoter is not 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 Promoter

None of our Promoter / Directors have any interest in our Company except to the extent of compensation payable / paid and reimbursement of expenses (if applicable) and to the extent of any equity shares held by them or their relatives and associates or held by the companies, firms and trusts in which they are interested as director, member, partner, and / or trustee, and to the extent of benefits arising out of such shareholding. For further details on the interest of our promoter in our Company, Please see the chapters titled "Capital Structure", "Financial Information" and "Our Management" beginning on page nos. 49, 133 and 114 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 Promoter is 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.

For Further details on the related party transaction, to the extent of which our Company is involved, please see "Annexure XXXII - Statement of Related Party Transaction" on page no. 154 of this Draft Prospectus.

### Common Pursuits of Promoter

There are no Common Pursuits between our Company and our Promoter. Further, as on the date of this Draft Prospectus, our Promoter has no interest in any venture that is involved in activities similar to those conducted by our Company.

Our Company will adopt necessary procedures and practices as permitted by law to address any conflict situation as and when they arise.

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

Our Promoter has not disassociated herself 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 Promoter or Promoter Group during the last two years**

Except as stated in “Annexure XXXII – Statement of Related Party Transactions” under the chapter “Financial Statements” on page no. 154 of this Draft Prospectus, there has been no other payment of benefits to our Promoter during the two years preceding the date of this Draft Prospectus.

#### **Interest of Promoter in the Promotion of our Company**

Our Company is currently promoted by the promoter in order to carry on its present business. Our Promoter are interested in our Company to the extent of her shareholding and directorship in our Company and the dividend declared, if any, by our Company.

#### **Interest of Promoter in the Property of our Company**

Our Promoter have confirmed that she does not has 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 “Properties” and “Annexure XXXII - Related Party Transactions” on page nos. 100 and 154 respectively, of this Draft Prospectus.

Further, other than as mentioned in the chapter titled “Our Business” on page no. 83 of this Draft Prospectus our Promoter do not have any interest in any transactions in the acquisition of land, construction of any building or supply of any machinery.

Our promoter may be interested in rent being paid by our Company to certain relatives who own these premises being occupied by the Company. For further details please see “Our Business” and “Financial Information” beginning on page nos. 83 and 133 of this Draft Prospectus.

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

Other than as Promoter, our Promoter is interested in our Company to the extent of her shareholding and directorship in our Company and the dividend declared, if any, by our Company. For details please see chapters titled “Our Management” and “Capital Structure” beginning on page nos. 114 and 49 respectively of this Draft Prospectus.

Except as mentioned in this section and the chapters titled “Capital Structure”, “Our Business”, “History and Certain Corporate matters” and “Annexure XXXII – Statement of Related Party Transactions” on page nos. 49, 83, 110 and 154 of this Draft Prospectus, respectively, our Promoter do not have any interest in our Company other than as promoter.

#### **Related Party Transactions**

Except as stated in the “Annexure XXXII – Statement of Related Party Transactions” on page no. 154 of this Draft Prospectus, our Company has not entered into related party transactions with our Promoter.

#### **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 the chapter titled “Capital Structure – Notes to Capital Structure” beginning on page no. 50 of this Draft Prospectus.

#### **Other Confirmations**

Our Company has neither made any payments in cash or otherwise to our Promoter or to firms or companies in which our Promoter is interested as members, directors or promoter nor have our Promoter 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 XXXII – Statement of Related Party Transactions” on page no. 154 of this Draft Prospectus.

### Outstanding Litigation

There is no outstanding litigation against our Promoter except as disclosed in the section titled “Risk Factors” and chapter titled “Outstanding Litigation and Material Developments” beginning on page nos. 11 and 169 of this Draft Prospectus.

### OUR PROMOTER GROUP

In addition to the Promoter named above, the following natural persons and entities form part of our Promoter Group in terms of Regulation 2 (1) (zb) (ii) of the SEBI (ICDR) Regulation, 2009.

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

Name of the Promoter	Name of the Relative	Relationship with the Promoter
Mrs. Namita Banka	Late Mr. Satyanarayan Murarka	Father
	Late Mrs. Saroj Murarka	Mother
	Mr. Sanjay Banka	Husband
	Mr. Vishal Murarka	Brother(s)
	Mr. Vineet Murarka	
	Mr. Nishit Banka	Son
	Ms. Smriti Banka	Daughter
	Mr. Hari Prasad Banka	Husband 's Father
	Mrs. Pushpa Devi Banka	Husband 's Mother
	Mr. Vishnu Banka	Husband's Brother
	Mrs. Sangeeta Kedia	Husband's Sister(s)
	Mrs. Binita Lath	

#### 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 / Trusts / Partnership firms / HUFs or Sole Proprietorships shall form part of our Promoter Group:

Sr. No.	Name of Promoter Group Entity/Company
1	Vinraa Technology LLP
2	Sanjay Banka (HUF)
3	Hari Prasad Banka (HUF)

---

## OUR GROUP COMPANY

In terms of the 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 includes:

1. Those companies disclosed as related parties in accordance with Accounting Standard (“AS 18”) issued by the Institute of Chartered Accountants of India, in the Restated Financial Statements of the Company for the last five financial years and
2. All companies forming part of the Promoter Group, with whom our Company has entered into one or more transactions during any of the last three fiscals such that the transaction value with our Company in any of the aforementioned fiscals / period exceeds 1% of the total revenue of our Company in the respective fiscals / period.

Further, companies which have been disclosed as related parties in the Restated Financial Statements of our Company for the last five financial years and which are no longer associated with our Company have not been disclosed as Group Companies.

Based on the above; as on the date of this Draft Prospectus; we do not have any Group Company.



---

## **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.

---

## **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 AUDITORS ON FINANCIAL STATEMENTS

To,  
The Board of Directors,  
**Banka BioLoo Limited**  
Plot no 11-4-651,  
A- 109, Express Apartment,  
Lakdi- ka- pool,  
Hyderabad – 500004.

We have examined Financial Statements and Other Financial Information of Banka BioLoo 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 Equity Shares of the Company and the Guidance Note (Revised) 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 30<sup>th</sup> June, 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 30<sup>th</sup> June 2017 and for financial year ended on 31st March 2017, audited by us, for the financial years ended on 31<sup>st</sup> March 2016, 2015, audited by M/s. Jeetendra Kulkarni, Chartered Accountant, for the financial years ended 31<sup>st</sup> March 2014 and 2013 audited by M/s Usha Rani Challa, 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 for aforesaid financial year audited by previous auditors, upon which we have placed our reliance while reporting.
1. In terms of Schedule VIII, Clause IX (9) of the SEBI (ICDR) Regulations, 2009 and other provisions relating to accounts of Banka BioLoo Limited, we, PRSV & Co. LLP, 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 June 30, 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 June 30, 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 Long Term Liabilities (Annexure - VIII)
- iv) Restated Statement of Long Term Provision (Annexure- IX)
- v) Restated Statement of Short Term Borrowings (Annexure- X)
- vi) Restated Statement of Trade Payable (Annexure- XI)
- vii) Restated Statement of Other Current Liabilities (Annexure- XII)
- viii) Restated Statement of Short Term Provisions (Annexure- XIII)
- ix) Restated Statement of Fixed Assets (Annexure- XIV)
- x) Restated Statement of Long term Loans and Advances (Annexure – XV)
- xi) Restated Statement of Inventories (Annexure – XVI)
- xii) Restated Statement of Trade Receivables (Annexure - XVII)
- xiii) Restated Statement of Cash and Cash Equivalents (Annexure - XVIII)
- xiv) Restated Statement of Short Term Loans and Advances (Annexure - XIX)
- xv) Restated Statement of Other Current Assets (Annexure - XX)
- xvi) Restated Statement of Revenue from Operations (Annexure – XXI)
- xvii) Restated Statement of Other Income (Annexure – XXII)
- xviii) Restated Statement of Cost Of Material Consumed (Annexure – XXIII)
- xix) Restated Statement of Changes In the Inventories (Annexure – XXIV)
- xx) Restated Statement of Employee Benefit Expenses (Annexure – XXV)
- xxi) Restated Statement of Depreciation and Amortisation Expenses (Annexure – XXVI)
- xxii) Restated Statement of Finance Charges (Annexure – XXVII)
- xxiii) Restated Statement of Other Expenses (Annexure – XXVIII)
- xxiv) Restated Statement of Contingent Liabilities (Annexure – XXIX)
- xxv) Restated Statement of Capitalization (Annexure – XXX)
- xxvi) Statement of Accounting Ratios (Annexure – XXXI)
- xxvii) Statement of Related Party Transactions (Annexure – XXXII)

xxviii) Restated Statement of Tax Shelter (Annexure – XXXIII)

4. In our opinion, the Restated Financial Statements and the other Financial Information set forth in Annexure I to XXIII 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 PRSV & Co. LLP**  
**Chartered Accountants**  
(Firm Registration No. S-200016)

**Mr. Y. Venkateswarlu**  
**Partner**  
Membership No: 222068  
Place: Hyderabad  
Date: November 16, 2017

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

( ₹ in lakhs)

Particulars	As at June 30, 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	12.56	12.56	12.56	12.56	11.11	11.11
b)Reserves and Surplus	397.25	384.98	269.29	237.44	75.07	54.12
c) Share Application Money Pending Allotment	-	-	-	-	-	-
<b>Total Shareholders Fund (1)</b>	<b>409.81</b>	<b>397.54</b>	<b>281.85</b>	<b>250.00</b>	<b>86.18</b>	<b>65.24</b>
<b>2.Non-Current Liabilities</b>						
a) Long Term Borrowings	256.74	263.73	190.45	75.36	73.45	75.32
b) Deferred Tax Liabilities	6.27	6.63	3.34	3.49	2.77	0.94
c) Other Long Term Liabilities	-	-	-	-	-	-
d) Long Term Provisions	15.53	15.08	10.19	7.12	4.23	1.50
<b>Total(2)</b>	<b>278.54</b>	<b>285.44</b>	<b>203.97</b>	<b>85.98</b>	<b>80.45</b>	<b>77.77</b>
<b>3.Current liabilities</b>						
a) Short-Term Borrowings	85.66	63.47	94.46	100.19	17.02	22.65
b) Trade Payables	124.67	134.42	231.18	119.21	194.89	27.46
c) Other Current Liabilities	204.92	182.39	146.07	23.11	131.21	4.79
d) Short-Term Provisions	44.38	41.59	-	0.43	1.64	-
<b>Total(3)</b>	<b>459.63</b>	<b>421.87</b>	<b>471.71</b>	<b>242.95</b>	<b>344.76</b>	<b>54.9</b>
<b>TOTAL(1+2+3)</b>	<b>1147.98</b>	<b>1104.85</b>	<b>957.53</b>	<b>578.92</b>	<b>511.39</b>	<b>197.90</b>
			.			
<b>ASSETS</b>						
<b>1.Non - Current Assets</b>						
a) Fixed Assets						
i.) Tangible Assets	135.04	139.39	136.04	142.65	95.40	77.87
ii) Intangible Assets	5.31	5.56	6.59	7.61	8.64	9.72
iii)Capital Work in Progress	22.71	18.76	14.22	12.66	-	-
b) Non- Current Investments	-	-	-	-	-	-
c) Long term Loans & Advances	92.41	53.94	65.74	46.25	36.34	20.77
d) Other Non-Current Assets	-	-	-	-	-	-
<b>Total (1)</b>	<b>255.47</b>	<b>217.65</b>	<b>222.59</b>	<b>209.17</b>	<b>140.38</b>	<b>108.36</b>
<b>2.Current Assets</b>						
a) Inventories	86.63	76.49	130.30	195.23	168.36	64.38
b) Trade Receivables	694.68	673.19	572.97	150.09	196.82	18.35
c) Cash and Cash equivalents	21.27	45.03	9.68	8.06	1.01	4.58
d) Short-Term Loans and Advances	83.25	86.84	20.45	15.71	4.57	2.23
e) Other Current Assets	6.68	5.65	1.54	0.67	0.25	0.00
<b>Total(2)</b>	<b>892.51</b>	<b>887.2</b>	<b>734.94</b>	<b>369.76</b>	<b>371.01</b>	<b>89.54</b>
<b>TOTAL(1+2)</b>	<b>1,147.98</b>	<b>1,104.85</b>	<b>957.53</b>	<b>578.92</b>	<b>511.39</b>	<b>197.90</b>



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

( ₹ in lakhs)

Particulars	For the Period Ended June 30, 2017	For the year ended March 31,				
		2017	2016	2015	2014	2013
<b>INCOME:</b>						
Revenue from Operations(Net)	261.94	1505.32	1426.54	818.73	524.25	43.27
Other Income	1.14	10.51	6.34	1.05	5.80	0.06
<b>Total Income</b>	<b>263.08</b>	<b>1515.83</b>	<b>1432.88</b>	<b>819.78</b>	<b>530.05</b>	<b>43.33</b>
<b>EXPENSES:</b>						
Cost Of Material Consumed	112.43	604.83	665.86	533.73	367.42	50.80
Changes in Inventories of Finished Goods	(16.96)	8.32	128.37	(24.32)	(58.84)	(47.53)
Employee Benefits Expense	73.85	279.17	161.05	143.32	95.51	14.44
Finance Cost	18.35	60.97	41.06	23.14	15.96	1.14
Depreciation and Amortization Expense	4.60	17.13	15.92	12.70	5.83	2.05
Other Expenses	53.04	366.01	371.30	119.41	88.69	19.46
<b>Total Expenses</b>	<b>245.30</b>	<b>1336.42</b>	<b>1383.56</b>	<b>807.98</b>	<b>514.56</b>	<b>40.36</b>
<b>Net Profit / (Loss) before Tax</b>	<b>17.76</b>	<b>179.41</b>	<b>49.31</b>	<b>11.80</b>	<b>15.49</b>	<b>2.97</b>
<b>Less: Tax Expense</b>						
Current Tax	5.85	60.43	17.62	3.54	4.87	0.10
Deferred Tax	(0.36)	3.29	(0.16)	0.72	1.83	0.94
<b>Total Tax Expense</b>	<b>5.49</b>	<b>63.72</b>	<b>17.46</b>	<b>4.26</b>	<b>6.70</b>	<b>1.04</b>
<b>Net Profit / ( Loss ) after Tax</b>	<b>12.27</b>	<b>115.69</b>	<b>31.85</b>	<b>7.54</b>	<b>8.79</b>	<b>1.93</b>

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

( ₹ in lakhs)

Particulars	For the Period Ended June 30, 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>17.76</b>	<b>179.41</b>	<b>49.31</b>	<b>11.80</b>	<b>15.49</b>	<b>2.97</b>
Adjustments for :						
Depreciation/Amortisation	4.60	17.13	15.92	12.70	5.83	2.05
Dividend Received	-	-	-	-	-	-
Interest Received	-	(4.40)	(3.32)	(1.03)	(0.82)	(0.06)
Prior Period Item	-	-	-	-	-	-
Interest Paid	18.35	60.97	41.06	23.14	15.96	1.14
<b>Operating Profit Before Working Capital Adjustments</b>	<b>40.71</b>	<b>253.11</b>	<b>102.97</b>	<b>46.62</b>	<b>36.46</b>	<b>6.11</b>
<b>Adjustment for Changes in Working Capital</b>						
Trade and other Payable	(9.75)	(96.76)	111.96	(75.68)	167.43	27.46
Inventories	(10.14)	53.81	64.92	(26.87)	(103.98)	(64.38)
Trade and other Recievables	(21.49)	(100.22)	(422.88)	46.73	(178.48)	(18.35)
Short Term Loans and Advances	3.59	(66.39)	(4.74)	(11.14)	(2.34)	(2.23)
Other Current Assets	(1.03)	(4.11)	(0.87)	(0.42)	(0.25)	-
Short Term Provisions	2.79	41.59	(0.43)	(1.21)	1.64	-
Other Current Liabilities	22.53	36.32	122.95	(108.09)	126.42	4.79
Long Term Loans & Advances	(38.47)	11.80	(19.49)	(9.91)	(15.56)	(20.77)
Long Term Provision	0.45	4.89	3.07	2.89	2.73	1.50
<b>Cash Flow Generated from Operations</b>	<b>(10.80)</b>	<b>134.04</b>	<b>(42.54)</b>	<b>(137.07)</b>	<b>34.06</b>	<b>(65.87)</b>
Income Tax and Fringe Benefit Tax Paid	5.85	60.43	17.62	3.54	4.87	0.10
<b>Net Cash flow from Operating activities (A)</b>	<b>(16.65)</b>	<b>73.62</b>	<b>(60.15)</b>	<b>(140.61)</b>	<b>29.19</b>	<b>(65.97)</b>
<b>Cash Flow From Investing Activities</b>						
(Purchase)/Sale of Fixed Assets	(3.96)	(23.99)	(9.85)	(71.58)	(22.28)	(89.65)
Purchase / (Sale) of Investments	-	-	-	-	-	-
Other Non-Current Assets	-	-	-	-	-	-
Long Tern Loans & Advances	-	-	-	-	-	-
Other Long Term Liabilities	-	-	-	-	-	-
Capital Work In progress	-	-	-	-	-	-
Dividend Received	-	-	-	-	-	-
Interest Received		4.40	3.32	1.03	0.82	0.06
<b>Net Cash Flow from Investing Activities (B)</b>	<b>(3.96)</b>	<b>(19.58)</b>	<b>(6.53)</b>	<b>(70.55)</b>	<b>(21.46)</b>	<b>(89.59)</b>
<b>Cash Flow From Financing Activities</b>						
Proceeds from/ ( Repayment of ) Borrowing	(6.99)	73.28	115.08	1.92	(1.87)	75.32
Capital Subsidy	-	-	-	-	12.16	-
Short term borrowings from banks	22.19	(30.99)	(5.72)	83.17	(5.63)	22.65
Proceeds from Share Capital (including Share Premium)	-	-	-	156.27	-	63.31
Interest Paid	(18.35)	(60.97)	(41.06)	(23.14)	(15.96)	(1.14)
<b>Net Cash Flow from Financing Activities (C)</b>	<b>(3.15)</b>	<b>(18.68)</b>	<b>68.30</b>	<b>218.21</b>	<b>(11.31)</b>	<b>160.14</b>
<b>Net Increase/ ( Decrease) in Cash and Cash Equivalents ( A + B + C )</b>	<b>(23.76)</b>	<b>35.36</b>	<b>1.61</b>	<b>7.05</b>	<b>(3.58)</b>	<b>4.58</b>
Cash & Cash equivalent at the beginning of the year	45.03	9.68	8.06	1.01	4.58	-
<b>Cash &amp; Cash Equivalent at the end of the year</b>	<b>21.27</b>	<b>45.04</b>	<b>9.68</b>	<b>8.06</b>	<b>1.01</b>	<b>4.58</b>

---

ANNEXURE IV  
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

**A. Corporate Information**

Banka BioLoo Private Limited (“BBPL”) was incorporated on August 31, 2012. It got converted in to public limited company with effect from November 15, 2017, Banka BioLoo Limited (“BBL”) is engaged in the creation of sanitation infrastructure and human waste management solutions and services, involving innovative and simple bio-digester technology.

**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 prorated 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

## **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**

**1. ADJUSTMENTS MADE IN RESTATED FINANCIAL STATEMENTS / REGROUPING NOTES**

(₹ in lakhs)

Particulars	For the period ended June 30, 2017	For the year ended March 31,				
		2017	2016	2015	2014	2013
<b>PAT As per Audited Financial Statement</b>	16.67	103.71	34.00	9.53	14.07	0.31
Less: Income Tax of Current financial year accounted in the following Year	-	-	-	-	(0.62)	-
Add: Income Tax of Previous financial year accounted in the current Year	-	0.62	-	-	-	-
Add/(Less): Gratuity reversed/(paid)	-	10.19	(3.07)	(2.89)	(2.73)	(1.50)
Add/(Less): Effect of change in method of Depreciation accounted in respective years	-	-	-	-	(3.86)	3.86
Add/(Less): Changes in Deferred Tax	(4.20)	1.17	0.92	0.90	1.93	(0.73)
<b>PAT as per restated Financial Statement</b>	<b>12.27</b>	<b>115.69</b>	<b>31.85</b>	<b>7.54</b>	<b>8.79</b>	<b>1.93</b>

Appropriate adjustments have been made in the restated summary statements, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited financial statements of the Company, prepared in accordance with Schedule III and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 (as amended).



## RESTATEMENT OF EMPLOYEE EXPENSES

(₹ in lakhs)

Particulars	For the period ended June 30, 2017	For the year ended March 31,				
		2017	2016	2015	2014	2013
<b>Employee Expenses as per Audited Financials</b>	73.85	289.36	157.41	139.57	92.34	12.87
Add: Gratuity expenses included in employee cost	-	(10.19)	3.07	2.89	2.73	1.50
Add: Regrouped as Employee Benefit Expenses	-	-	0.57	0.86	0.44	0.08
<b>Employee Expenses as per Restated Financials Financial Statements</b>	<b>73.85</b>	<b>279.17</b>	<b>161.05</b>	<b>143.32</b>	<b>95.51</b>	<b>14.44</b>

## RESTATEMENT OF DEPRECIATION

(₹ in lakhs)

Particulars	For the period ended June 30, 2017	For the year ended March 31,				
		2017	2016	2015	2014	2013
Depreciation as per Audited Financial Statements	4.60	17.13	15.92	12.70	5.83	5.91
Less: Amount adjusted for change in the method of Depreciation	-	-	-	-	-	3.86
<b>Depreciation as per Audited Financial Statements</b>	<b>4.60</b>	<b>17.13</b>	<b>15.92</b>	<b>12.70</b>	<b>5.83</b>	<b>2.05</b>

## RESTATEMENT OF LONG TERM PROVISIONS

(₹ in lakhs)

Particulars	As at June 30, 2017	As at March 31,				
		2017	2016	2015	2014	2013
Long Term Provisions as per Audited Financials	15.53	15.07	-	-	-	-
Add: Gratuity Provision restated	-	-	10.19	7.12	4.23	1.50
<b>Long term provision as per Restated Financials</b>	<b>15.53</b>	<b>15.07</b>	<b>10.19</b>	<b>7.12</b>	<b>4.23</b>	<b>1.50</b>

### Notes:

#### A. Gratuity Provision

During the year ended March 31, 2017 the company has recorded the Gratuity as per the Accounting Standard - 15 'Employee Benefit'. The gratuity for the year ended March 31, 2013, March 31, 2014, March 31, 2015 and March 31, 2016 have been recognized to reflect the consistent accounting policy across all years.

#### B. Income tax expense/(refund)

Consequent to completion of income tax assessment for certain years, the Company paid the additional taxes which was recorded in the year of completion of such assessment. As these were related to earlier years, the same has been accounted for in the financial year to which the amount relates to.

#### C. Deferred Tax

Deferred Tax for the year ended March 31, 2016 and March 31, 2015 have been restated on account of Gratuity Provision & Change in the method of Depreciation. Deferred Tax for the year ended March 31, 2014 and March 31, 2013 have been restated on account of change in the method of Depreciation.

## 2. Material Regrouping:

Appropriate adjustments have been made in the respective years of Restated Summary Statement of Assets and Liabilities, Restated Summary Statement of Profits and Losses and Restated Summary Statement of Cash Flows,

wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the regroupings as per the Audited financials of the Company for the year ended March 31, 2017, prepared in accordance with Schedule III, and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 (as amended).

### 3. Application of Revised Schedule VI:

During the year ended 31 March 2012, the Revised Schedule VI notified under the Companies Act, 1956, had become applicable to the Company, for preparation and presentation of its financial statements. Further Schedule III of the Companies Act, 2013, was notified by Ministry of Corporate Affairs effective April 01, 2014. Accordingly, the Company had prepared the financial statements in accordance with Revised Schedule VI / Schedule III (as applicable) of the Act. The adoption of Revised Schedule VI / Schedule III (as applicable) of the Act did not impact recognition and measurement principles followed for preparation of financial statements.

4. There are no audit qualifications, disclaimer of opinion, adverse opinion or emphasis of matter para in respect of financials of last five years of the Company.

### 5. Changes in Accounting Policies in the Last Five Years:

We have changed the method of Depreciation in the FY 2013-14 to Straight Line Method, appropriate effect of the same has been considered in the restatement. Except that there is no change in accounting policy

### 6. Dividend Payment:

The Company has not paid any dividend in the last five years.

### 7. Changes in Accounting Period:

There has been no change in the accounting period of the Company.

### 8. Segment Reporting:

The Company is engaged in only one segment of business namely manufacturing of Bio Toilets, Segment Reporting under AS - 17 is not applicable.

### 9. Managerial Remuneration:

( ₹ in lakhs)

Particulars	For the period ended June 30, 2017	For the year ended March 31,				
		2017	2016	2015	2014	2013
Remuneration	7.45	45.09	35.04	17.29	15.79	1.00
Other Fees	-	-	-	-	-	-
Sitting Fees	-	-	-	-	-	-
Non Whole Time Directors Remuneration	-	-	-	-	-	-
Total	7.45	45.09	35.04	17.29	15.79	1.00

### 10. Remuneration to Statutory Auditors:

( ₹ in lakhs)

Particulars	For the period ended June 30, 2017	For the year ended March 31,				
		2017	2016	2015	2014	2013
Statutory Audit Fees	-	1.25	0.20	0.20	0.20	0.15
Tax Audit Fees	-	0.75	0.18	-	-	-
Company Law Matter	-	-	-	-	-	-
Other Certification	-	-	-	-	-	-
Total	-	2.00	0.38	0.20	0.20	0.15

# 11. Information Regarding Foreign Exchange earnings:

(₹ in lakhs)

Particulars	For the period ended June 30, 2017	For the year ended March 31,				
		2017	2016	2015	2014	2013
Earning in Foreign Exchange	-	-	-	-	-	-
Expenditure in Foreign Exchange	1.26	-	-	-	-	-
<b>Total</b>	<b>1.26</b>	-	-	-	-	-

## Annexure VI

### RESTATED STATEMENT OF SHARE CAPITAL, AS RESTATED

(₹ in lakhs)

Particulars	As at June 30, 2017	As at March 31,				
		2017	2016	2015	2014	2013
<b>Authorised Share Capital :</b>						
2,00,000 Equity Shares of ₹ 10 each	20.00	20.00	20.00	20.00	20.00	20.00
<b>Total</b>	<b>20.00</b>	<b>20.00</b>	<b>20.00</b>	<b>20.00</b>	<b>20.00</b>	<b>20.00</b>
<b>Issued Subscribed and Paid Up Capital :</b>						
Equity Shares of ₹ 10 each (Fully/Partly Paid Shares)	12.56	12.56	12.56	12.56	11.11	11.11
<b>Total</b>	<b>12.56</b>	<b>12.56</b>	<b>12.56</b>	<b>12.56</b>	<b>11.11</b>	<b>11.11</b>

### Reconciliation of number of shares outstanding:

Particulars	As at June 30, 2017	As at March 31,				
		2017	2016	2015	2014	2013
<b>Equity Shares</b>						
At the beginning of the period	1,25,602	1,25,602	1,25,602	1,11,119	1,11,119	-
Addition during the period	-	-	-	14,483	-	1,11,119
Shares bought back during the year	-	-	-	-	-	-
<b>Outstanding at the end of the Period</b>	<b>1,25,602</b>	<b>1,25,602</b>	<b>1,25,602</b>	<b>1,25,602</b>	<b>1,11,119</b>	<b>1,11,119</b>

## Annexure VII

### STATEMENT OF RESERVES AND SURPLUS

(₹ in lakhs)

Particulars	As at June 30, 2017	As at March 31,				
		2017	2016	2015	2014	2013
<b>Security Premium</b>	-	-	-	-	-	-
Opening Balance	207.02	207.02	207.02	52.19	52.19	-
Add: Issued during the year	-	-	-	154.82	-	52.19
Closing balance	-	-	-	-	-	-
<b>Balance as at the end of the year (a)</b>	<b>207.02</b>	<b>207.02</b>	<b>207.02</b>	<b>207.02</b>	<b>52.19</b>	<b>52.19</b>
<b>Surplus</b>						
Balance as at the beginning of the year	165.81	50.11	18.26	10.72	1.93	-
Add: Profit / (Loss) for the year transferred to reserves	12.27	115.69	31.85	7.54	8.79	1.93
Less: Deductions/ Adjustments	-	-	-	-	-	-
<b>Balance as at the end of the year (b)</b>	<b>178.08</b>	<b>165.81</b>	<b>50.11</b>	<b>18.26</b>	<b>10.72</b>	<b>1.93</b>
<b>Capital Subsidy</b>						
Opening Balance	12.16	12.16	12.16	12.16	-	-
Add: Addition during the year	-	-	-	-	12.16	-
<b>Balance as at the end of the year (c)</b>	<b>12.16</b>	<b>12.16</b>	<b>12.16</b>	<b>12.16</b>	<b>12.16</b>	<b>-</b>
<b>Total (a+b+c)</b>	<b>397.25</b>	<b>384.98</b>	<b>269.29</b>	<b>237.44</b>	<b>75.07</b>	<b>54.12</b>

**Annexure VIII**  
**STATEMENT OF LONG TERM BORROWINGS, AS RESTATED**

(₹ in lakhs)

Particulars	As at June 30, 2017	As at March 31,				
		2017	2016	2015	2014	2013
<b>Secured Loans</b>						
Vehicle Loans	6.96	7.36	6.82	0.13	1.54	2.71
From Banks	69.91	80.32	22.35	-	-	-
From NBFCs	95.05	91.93	67.30	1.49	10.97	14.15
<b>ii)Unsecured Loans</b>						
Loans from Directors	5.01	5.33	7.81	4.62	28.42	30.43
Loans from Related Parties	79.82	78.79	86.17	69.12	32.52	28.04
<b>Total</b>	<b>256.74</b>	<b>263.73</b>	<b>190.45</b>	<b>75.36</b>	<b>73.45</b>	<b>75.32</b>

**Annexure IX**  
**STATEMENT OF LONG TERM PROVISIONS, AS RESTATED**

(₹ in lakhs)

Particulars	As at June 30, 2017	As at March 31,				
		2017	2016	2015	2014	2013
Gratuity	15.53	15.08	10.19	7.12	4.23	1.50
<b>Total</b>	<b>15.53</b>	<b>15.08</b>	<b>10.19</b>	<b>7.12</b>	<b>4.23</b>	<b>1.50</b>

**Annexure X**  
**STATEMENT OF SHORT TERM BORROWINGS, AS RESTATED**

(₹ in lakhs)

Particulars	As at June 30, 2017	As at March 31,				
		2017	2016	2015	2014	2013
<b>Secured</b>						
From banks (OD)	85.66	63.47	94.46	100.19	17.02	19.34
<b>Unsecured</b>						
From Other Parties	-	-	-	-	-	3.31
<b>Total</b>	<b>85.66</b>	<b>63.47</b>	<b>94.46</b>	<b>100.19</b>	<b>17.02</b>	<b>22.65</b>

**Annexure XI**  
**STATEMENT OF TRADE PAYABLE, AS RESTATED**

(₹ in lakhs)

Particulars	As at June 30, 2017	As at March 31,				
		2017	2016	2015	2014	2013
<b>Trade Payable</b>						
Outstanding for more than 6 months	-	-	-	-	-	-
Others	124.67	134.42	231.18	119.21	194.89	27.46
<b>Total</b>	<b>124.67</b>	<b>134.42</b>	<b>231.18</b>	<b>119.21</b>	<b>194.89</b>	<b>27.46</b>

**Annexure XII**  
**STATEMENT OF OTHER CURRENT LIABILITIES, AS RESTATED**

(₹ in lakhs)

Particulars	As at June 30, 2017	As at March 31,				
		2017	2016	2015	2014	2013
Statutory Liabilities	2.33	19.61	22.32	2.17	-	0.04
Advance from customers	40.58	20.72	2.00	-	-	-
Audit fee payable	2	2	-	-	0.20	0.15
Salaries payable	39.63	22.13	16.35	7.37	8.51	3.71

Particulars	As at June 30, 2017	As at March 31,				
		2017	2016	2015	2014	2013
<b>Current maturities of long term borrowings</b>						
<b>Secured</b>						
Term Loan From NBFC	14.24	22.43	62.97	12.16	121.33	-
Vehicle Loan	1.55	1.52	0.13	1.41	1.17	0.89
<b>Unsecured</b>						
Term Loans From Banks	39.18	37.56	15.26	-	-	-
Term Loans From NBFCs	65.4	56.43	27.04	-	-	-
<b>Total</b>	<b>204.92</b>	<b>182.39</b>	<b>146.07</b>	<b>23.11</b>	<b>131.21</b>	<b>4.79</b>

**Annexure XIII**  
**STATEMENT OF SHORT TERM PROVISIONS, AS RESTATED**

(₹ in lakhs)

Particulars	As at June 30, 2017	As at March 31,				
		2017	2016	2015	2014	2013
Provisions for Income Tax	44.38	41.59	-	0.43	1.64	-
<b>Total</b>	<b>44.38</b>	<b>41.59</b>	<b>-</b>	<b>0.43</b>	<b>1.64</b>	<b>-</b>

**Annexure XIV**  
**STATEMENT OF FIXED ASSETS, AS RESTATED**

(₹ in lakhs)

Particulars	As at June 30, 2017	As at March 31,				
		2017	2016	2015	2014	2013
<b>Machinery</b>						
Opening Balance	137.52	135.82	133.30	97.61	77.09	19.51
Addition during the year	-	1.70	2.53	35.69	20.52	57.58
Depreciation during the year	2.90	11.63	12.02	10.01	4.39	0.88
Reduction during the year	-	-	-	-	-	-
Opening Accumulated Depreciation	38.93	27.30	15.28	5.27	0.88	-
<b>Closing Balance</b>	<b>95.68</b>	<b>98.58</b>	<b>108.52</b>	<b>118.01</b>	<b>92.33</b>	<b>76.21</b>
<b>Office Equipment</b>						
Opening Balance	7.84	2.82	2.03	0.64	0.15	-
Addition during the year	-	5.01	0.80	1.39	0.48	0.15
Depreciation during the year	0.32	1.29	0.40	0.25	0.03	-
Reduction during the year	-	-	-	-	-	-
Opening Accumulated Depreciation	1.97	0.69	0.29	0.04	-	-
<b>Closing Balance</b>	<b>5.54</b>	<b>5.86</b>	<b>2.14</b>	<b>1.74</b>	<b>0.60</b>	<b>0.15</b>
<b>Electrical Installation</b>						
Opening Balance	1.36	1.36	1.36	1.26	1.26	-
Addition during the year	-	-	-	0.10	-	1.26
Depreciation during the year	0.04	0.15	0.17	0.15	0.07	0.02
Reduction during the year	-	-	-	-	-	-
Opening Accumulated Depreciation	0.56	0.41	0.24	0.09	0.02	-
<b>Closing Balance</b>	<b>0.76</b>	<b>0.79</b>	<b>0.94</b>	<b>1.12</b>	<b>1.17</b>	<b>1.24</b>
<b>Furniture &amp; Fixtures</b>						
Opening Balance	3.37	3.06	2.61	1.36	0.95	0.50
Addition during the year	-	0.30	0.45	1.25	0.4	0.45
Depreciation during the year	0.09	0.37	0.27	0.20	0.07	0.02
Reduction during the year	-	-	-	-	-	-
Opening Accumulated Depreciation	0.93	0.56	0.29	0.08	0.02	-
<b>Closing Balance</b>	<b>2.34</b>	<b>2.44</b>	<b>2.50</b>	<b>2.32</b>	<b>1.27</b>	<b>0.94</b>

Particulars	As at June 30, 2017	As at March 31,				
		2017	2016	2015	2014	2013
<b>Bio-Digester Technology</b>						
Opening Balance	10.80	10.80	10.80	10.80	10.80	10.80
Addition during the year	-	-	-	-	-	-
Depreciation during the year	0.26	1.03	1.03	1.03	1.08	1.08
Reduction during the year	-	-	-	-	-	-
Opening Accumulated Depreciation	5.24	4.21	3.19	2.16	1.08	-
<b>Closing Balance</b>	<b>5.31</b>	<b>5.566.59</b>	<b>6.59</b>	<b>7.61</b>	<b>8.64</b>	<b>9.72</b>
<b>Land</b>						
Opening Balance	15.25	15.25	15.25	-	-	-
Addition during the year	-	-	-	15.25	-	-
Depreciation during the year	-	-	-	-	-	-
Reduction during the year	-	-	-	-	-	-
Opening Accumulated Depreciation	-	-	-	-	-	-
<b>Closing Balance</b>	<b>15.25</b>	<b>15.25</b>	<b>15.25</b>	<b>15.25</b>		
<b>Vehicle</b>						
Opening Balance	14.72	4.08	4.08	-	-	-
Addition during the year		10.64	-	4.08	-	-
Depreciation during the year	0.40	0.50	0.26	0.23	-	-
Reduction during the year	-	-	-	-	-	-
Opening Accumulated Depreciation	<b>0.99</b>	<b>0.49</b>	<b>0.23</b>	-	-	-
<b>Closing Balance</b>	<b>13.33</b>	<b>13.73</b>	<b>3.82</b>	<b>3.85</b>	-	-
<b>Shed</b>						
Opening Balance	2.87	2.87	-	-	-	-
Addition during the year	-	-	2.87	-	-	-
Depreciation during the year	0.23	0.91	0.47	-	-	-
Reduction during the year	-	-	-	-	-	-
Opening Accumulated Depreciation	1.38	0.47	-	-	-	-
<b>Closing Balance</b>	<b>1.26</b>	<b>1.49</b>	<b>2.40</b>	-	-	-
<b>Computers &amp; peripherals</b>						
Opening Balance	6.28	4.49	2.84	1.68	0.80	0.80
Addition during the year		1.80	1.64	1.16	0.88	-
Depreciation during the year	0.36	1.26	1.30	0.82	0.20	0.04
Reduction during the year	-	-	-	-	-	-
Opening Accumulated Depreciation	3.63	2.36	1.06	0.24	0.04	-
<b>Closing Balance</b>	<b>2.29</b>	<b>2.66</b>	<b>2.12</b>	<b>1.78</b>	<b>1.44</b>	<b>0.76</b>
<b>Total Tangible Assets</b>	<b>187.78</b>	<b>187.78</b>	<b>168.34</b>	<b>160.05</b>	<b>101.12</b>	<b>78.85</b>
<b>Total Intangible Assets</b>	<b>10.80</b>	<b>10.80</b>	<b>10.80</b>	<b>10.80</b>	<b>10.80</b>	<b>10.80</b>
<b>Capital Work in Progress</b>	<b>22.71</b>	<b>18.76</b>	<b>14.22</b>	<b>12.66</b>	-	-
<b>Total Depreciation Charged during the year</b>	<b>4.60</b>	<b>17.13</b>	<b>15.92</b>	<b>12.70</b>	<b>5.83</b>	<b>2.05</b>
<b>Total accumulated Depreciation on Tangible Assets</b>	<b>52.74</b>	<b>48.39</b>	<b>32.29</b>	<b>17.40</b>	<b>5.83</b>	<b>2.05</b>
<b>Total accumulated Depreciation on Intangible Assets</b>	<b>5.49</b>	<b>5.24</b>	<b>4.21</b>	<b>3.19</b>	<b>2.16</b>	<b>1.08</b>
<b>WDV Tangible Asset</b>	<b>135.04</b>	<b>139.39</b>	<b>136.04</b>	<b>142.65</b>	<b>95.40</b>	<b>77.87</b>
<b>WDV Intangible Assets</b>	<b>5.31</b>	<b>5.56</b>	<b>6.59</b>	<b>7.61</b>	<b>8.64</b>	<b>9.72</b>
<b>Work In Progress</b>	<b>22.71</b>	<b>18.76</b>	<b>14.22</b>	<b>12.66</b>	-	-

**Annexure XV**  
**STATEMENT OF LONG TERM LOANS & ADVANCES, AS RESTATED**

(₹ in lakhs)

Particulars	As at June 30, 2017	As at March 31,				
		2017	2016	2015	2014	2013
Unsecured, considered good						
Security Deposit with Customers	44.28	16.44	24.13	46.25	36.34	20.77
Security Deposits-Others	7.31	7.31	4.68	-	-	-
Deposits with Government Authorities	0.39	5.08	5.08	-	-	-
Bank deposits with more than 12 months maturity	37.53	22.21	31.85	-	-	-
Capital Advances	2.90	2.90	-	-	-	-
<b>Total</b>	<b>92.41</b>	<b>53.94</b>	<b>65.74</b>	<b>46.25</b>	<b>36.34</b>	<b>20.77</b>

**Annexure XVI**  
**STATEMENT OF INVENTORIES, AS RESTATED**

(₹ in lakhs)

Particulars	As at June 30, 2017	As at March 31,				
		2017	2016	2015	2014	2013
Stock Of Goods (Including Raw Material, Finished Goods, WIP, Packing Material, Stores and spares, Bought out Materials)	86.63	76.49	130.30	195.23	168.36	64.38
<b>Total</b>	<b>86.63</b>	<b>76.49</b>	<b>130.30</b>	<b>195.23</b>	<b>168.36</b>	<b>64.38</b>

**Annexure XVII**  
**STATEMENT OF TRADE RECEIVABLES, AS RESTATED**

(₹ in lakhs)

Particulars	As at June 30, 2017	As at March 31,				
		2017	2016	2015	2014	2013
<b>Outstanding for less than Six Months</b>						
Promoter/ Promoter Group	-	-	-	-	-	-
Others	694.68	580.33	572.97	150.09	196.82	18.35
<b>Outstanding for more than Six Months</b>						
Promoter/ Promoter Group	-	-	-	-	-	-
Others	-	92.87	-	-	-	-
<b>Total</b>	<b>694.68</b>	<b>673.19</b>	<b>572.97</b>	<b>150.09</b>	<b>196.82</b>	<b>18.35</b>

**Annexure XVIII**  
**STATEMENT OF CASH & CASH EQUIVALENTS, AS RESTATED**

(₹ in lakhs)

Particulars	As at June 30, 2017	As at March 31,				
		2017	2016	2015	2014	2013
<b>Cash and Cash equivalents</b>						
Balances with banks (Current Account)	6.40	6.93	1.44	1.78	0.44	3.86
Cash in Hand	1.22	0.64	1.55	6.28	0.57	0.72
Fixed Deposits with banks	13.66	37.46	6.69			
<b>Total</b>	<b>21.28</b>	<b>45.03</b>	<b>9.68</b>	<b>8.06</b>	<b>1.01</b>	<b>4.58</b>



**Annexure XIX**  
**STATEMENT OF SHORT TERM LOANS & ADVANCES, AS RESTATED**

(₹ in lakhs)

Particulars	As at June 30, 2017	As at March 31,				
		2017	2016	2015	2014	2013
<b>Unsecured, Considered good</b>						
Others	-	-	-	-	-	-
Security Deposits with Customers	54.20	73.12	8.97	-	-	-
Cenvat Credit	8.82	8.61	10.15	9.40	1.12	0.17
TDS Receivable including advance tax	-	-	0.69	-	-	0.20
Advance to Vendors	14.59	2.43	-	6.31	3.45	1.86
Advance to employees	5.63	2.68	0.64	-	-	-
<b>Total</b>	<b>83.25</b>	<b>86.84</b>	<b>20.45</b>	<b>15.71</b>	<b>4.57</b>	<b>2.23</b>

**Annexure XX**  
**STATEMENT OF OTHER CURRENT ASSETS, AS RESTATED**

(₹ in lakhs)

Particulars	As at June 30, 2017	As at March 31,				
		2017	2016	2015	2014	2013
Interest Accrued	4.41	4.41	1.54	-	-	-
Others	2.27	1.24	-	0.67	0.25	-
<b>Total</b>	<b>6.68</b>	<b>5.65</b>	<b>1.54</b>	<b>0.67</b>	<b>0.25</b>	<b>-</b>

**Annexure XXI**  
**STATEMENT OF REVENUE FROM OPERATIONS, AS RESTATED**

(₹ in lakhs)

Particulars	For the period ended June 30, 2017	For the year ended March 31,				
		2017	2016	2015	2014	2013
Sales of Products	107.72	920.96	1297.28	692.31	496.79	39.59
Sales of Services	154.22	584.36	129.26	126.41	27.46	3.68
<b>Total</b>	<b>261.94</b>	<b>1505.32</b>	<b>1426.54</b>	<b>818.73</b>	<b>524.25</b>	<b>43.27</b>

**Annexure XXII**  
**STATEMENT OF OTHER INCOME, AS RESTATED**

(₹ in lakhs)

Particulars	For the period ended June 30, 2017	For the year ended March 31,				
		2017	2016	2015	2014	2013
<b>Other Income</b>						
Interest Income	1.10	4.40	3.32	1.03	0.82	0.06
Miscellaneous Income	0.04	0.06	2.62	0.03	0.80	-
Discounts Received	-	-	0.39	-	-	-
Scrap Sales	-	6.05	-	-	-	-
Award Money	-	-	-	-	4.19	-
<b>Total</b>	<b>1.14</b>	<b>10.51</b>	<b>6.34</b>	<b>1.05</b>	<b>5.80</b>	<b>0.06</b>

**Annexure XXIII**  
**STATEMENT OF COST OF MATERIAL CONSUMED, AS RESTATED**

(₹ in lakhs)

Particulars	For the period ended June 30, 2017	For the year ended March 31,				
		2017	2016	2015	2014	2013
Opening Stock	66.06	111.55	48.11	45.56	0.42	-
Add: Purchases (Including Raw Material, Packing Material, Stores & Spares and Bought Out Material)	105.61	559.33	729.30	536.28	412.56	51.22

Particulars	For the period ended June 30, 2017	For the year ended March 31,				
		2017	2016	2015	2014	2013
Closing Stock	59.24	66.06	111.55	48.11	45.56	0.42
<b>Total</b>	<b>112.43</b>	<b>604.83</b>	<b>665.86</b>	<b>533.73</b>	<b>367.42</b>	<b>50.80</b>

#### Annexure XXIV

#### STATEMENT OF CHANGES IN INVENTORIES, AS RESTATED

(₹ in lakhs)

Particulars	For the period ended June 30, 2017	For the year ended March 31,				
		2017	2016	2015	2014	2013
Changes in inventories						
Finished Goods						
Inventories at the beginning of the year	3.96	18.75	84.07	52.75	55.19	16.42
Less : Inventories at the end of the year	3.96	3.96	18.75	84.07	52.75	55.19
Work in Progress						
Inventories at the beginning of the year	6.47		63.05	70.04	8.76	
Less : Inventories at the end of the year	23.43	6.47		63.05	70.04	8.76
<b>Total</b>	<b>(16.96)</b>	<b>8.32</b>	<b>128.37</b>	<b>(24.32)</b>	<b>(58.84)</b>	<b>(47.53)</b>

#### Annexure XXV

#### STATEMENT OF EMPLOYEE BENEFIT EXPENSES, AS RESTATED

(₹ in lakhs)

Particulars	For the period ended June 30, 2017	For the year ended March 31,				
		2017	2016	2015	2014	2013
Director Remuneration		45.09	35.04	17.29	15.79	1.00
Salaries and wages	67.27	207.89	113.64	115.37	70.33	11.58
Contribution to PF & ESIC	4.28	15.58	8.24	4.36	4.14	
Contribution to Gratuity	0.45	4.89	3.07	2.89	2.73	1.50
Staff welfare expenses	1.85	5.71	1.06	3.40	2.52	0.37
<b>Total</b>	<b>73.85</b>	<b>279.17</b>	<b>161.05</b>	<b>143.32</b>	<b>95.51</b>	<b>14.44</b>

#### Annexure XXVI

#### STATEMENT OF DEPRECIATION AND AMORTISATION EXPENSES, AS RESTATED

(₹ in lakhs)

Particulars	For the period ended June 30, 2017	For the year ended March 31,				
		2017	2016	2015	2014	2013
Depreciation during the year	4.60	17.13	15.92	12.70	5.83	5.91
<b>Total</b>	<b>4.60</b>	<b>17.13</b>	<b>15.92</b>	<b>12.70</b>	<b>5.83</b>	<b>5.91</b>

#### Annexure XXVII

#### STATEMENT OF FINANCE CHARGES, AS RESTATED

(₹ in lakhs)

Particulars	For the period ended June 30, 2017	For the year ended March 31,				
		2017	2016	2015	2014	2013
<b>Finance Charges</b>						
Interest On Bank OD	2.89	10.88	30.18	8.12	4.85	0.65
Interest Others	15.45	50.09	10.88	15.02	11.11	0.49
<b>Total</b>	<b>18.35</b>	<b>60.97</b>	<b>41.06</b>	<b>23.14</b>	<b>15.96</b>	<b>1.14</b>

**Annexure XXVIII**  
**STATEMENT OF OTHER EXPENSES, AS RESTATED**

(₹ in lakhs)

Particulars	For the period ended June 30, 2017	For the year ended March 31,				
		2017	2016	2015	2014	2013
Auditors remuneration						
Statutory Audit Fees	-	1.25	0.20	0.20	0.20	0.15
Tax Audit Fees	-	0.75	0.18	-	-	-
To Previous Auditor	-	0.53	-	-	-	-
Bank charges	1.43	6.08	5.27	0.35	3.49	1.18
Business Promotions	0.38	9.12	18.53	9.46	3.38	1.35
Contractor & Labour Charges	17.51	191.82	219.58	17.13	12.75	3.69
Consultancy charges	1.27	6.78	7.17	2.59	2.43	1.71
Freight Outward	7.32	17.30	11.95	32	19.51	1.46
Office Maintenance	8.45	6.48	2.27	1.90	2.76	0.52
Rent	4.56	21.24	17.86	16.21	9.57	2.15
Rates & Taxes	2.33	35.78	41.70	7.73	3.22	0.98
Travelling & Conveyance	5.87	46.00	26.77	17.36	16.64	2.96
Other Expenses	3.92	22.89	19.83	14.49	14.74	3.32
<b>Total</b>	<b>53.04</b>	<b>366.01</b>	<b>371.30</b>	<b>119.41</b>	<b>88.69</b>	<b>19.46</b>

**Annexure XXIX**  
**STATEMENT OF CONTINGENT LIABILITIES, AS RESTATED**

(₹ in lakhs)

Particulars	As at June 30, 2017	As at March 31,				
		2017	2016	2015	2014	2013
<b>Bank Guarantees</b>	-	-	-	5.39	29.23	17.41
<b>Total</b>	-	-	-	<b>5.39</b>	<b>29.23</b>	<b>17.41</b>

**Annexure XXX**  
**STATEMENT OF CAPITALIZATION, AS RESTATED**

(₹ in lakhs)

Particular	Pre Issue (as at June 30, 2017)	Post Issue
<b>Debt</b>		
Long Term Debt	256.74	256.74
Short Term Debt	85.66	85.66
<b>Total Debts (A)</b>	<b>342.40</b>	<b>342.40</b>
<b>Equity (Shareholder's funds)</b>		
Equity share capital	12.56	[•]
Reserve and Surplus	397.25	[•]
<b>Total Equity (B)</b>	<b>409.81</b>	<b>[•]</b>
<b>Long Term Debt / Equity Shareholder's funds</b>	<b>0.63</b>	<b>[•]</b>
<b>Total Debts / Equity Shareholder's funds</b>	<b>0.84</b>	<b>[•]</b>

**Note:**

- The above has been computed on the basis of Restated Financials of the Company.

**Annexure XXXI**  
**STATEMENT OF ACCOUNTING RATIOS, AS RESTATED**

(₹ in lakhs)

Particulars	For the period ended June 30, 2017	For the year ended March 31,				
		2017	2016	2015	2014	2013
Restated Net Profit as per P&L Account	12.27	115.69	31.85	7.54	8.79	1.93
Net Worth	409.81	397.54	281.85	250.00	86.18	65.24
No. of Equity Shares outstanding at the end of the year	1,25,602	1,25,602	1,25,602	1,25,602	1,11,119	1,11,119
Weighted Average No of Equity Shares outstanding during the year	30,14,448	30,14,448	30,14,448	28,07,954	26,66,856	6,90,913
Basic & Diluted Earnings Per Share	0.41*	3.84	1.06	0.27	0.33	0.28
Return on Net worth (%)	2.99%*	29.10%	11.30%	3.02%	10.20%	2.96%
Net Assets Value per Equity Share	326.28**	316.51	224.40	199.04	77.56	58.71

\* Not Annualised

\*\* The Net Asset Value per share after considering the bonus issue dated October 30, 2017 will be 13.554

**Notes to Accounting Ratios:**

1) The Ratios have been computed as follows:

a) Basic Earnings Per Share (₹)	Net Profit After Tax as restated
	Weighted Average Number of Equity Shares outstanding during the year
b) Return on Net worth (%)	Net Profit after Tax as restated
	Net Worth * 100
c) Net Asset Value Per Equity Share (₹)	Net Worth
	No. of Equity shares outstanding at the end of the year

2) Weighted average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the year adjusted by the number of Equity Shares issued during year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

3) The Calculation of Earnings Per Share (EPS) as disclosed in the Profit and Loss Account has been made in accordance with Accounting Standard (AS - 20) on Earnings Per Share issued by the Institute of Chartered Accountants of India.

4) As there is no dilutive capital in the company, Basic and Diluted EPS are similar.

5) The above Ratios have been computed on the basis of the Restated Financial Information for the respective year.

The above statements should be read with the Notes to Restated Financial Statements.

**Annexure XXXII**  
**STATEMENT OF RELATED PARTY TRANSACTIONS, AS RESTATED**

As per Accounting Standard 18 on related party disclosure issue by the Institute of Chartered Accountants of India, the Company's related parties are disclosed below:

(i) Key Managerial Personnel & Relatives

For the period ended June 30, 2017	For the year ended March 31,				
	2017	2016	2015	2014	2013
Namita Banka	Namita Banka	Namita Banka	Namita Banka	Namita Banka	Namita Banka
Akhilesh Kumar Tripathi	Akhilesh Kumar Tripathi	Akhilesh Kumar Tripathi	Akhilesh Kumar Tripathi	Akhilesh Kumar Tripathi	Akhilesh Kumar Tripathi
Sanjay Banka	Sanjay Banka	Sanjay Banka	Vineet Murarka	Vineet Murarka	

(ii) Relatives of KMP

For the period ended June 30, 2017	For the year ended March 31,				
	2017	2016	2015	2014	2013
Vishal Murarka	Vishal Murarka	Vishal Murarka	Vishal Murarka	Vishal Murarka	Vishal Murarka
Hari Prasad Banka	Hari Prasad Banka	Hari Prasad Banka	Sanjay Banka	Sanjay Banka	Sanjay Banka
Vineet Murarka	Vineet Murarka	Vineet Murarka	Vineet Murarka	Vineet Murarka	Vineet Murarka
Nishit Banka	Nishit Banka	Nishit Banka	Nishit Banka	Nishit Banka	Nishit Banka
					Hari Prasad Banka

(iii) Associates / Enterprises over which directors and / or their relatives has significant influence

For the period ended June 30, 2017	For the year ended March 31,				
	2017	2016	2015	2014	2013
Sanjay Kumar Banka HUF	Sanjay Kumar Banka HUF	Sanjay Kumar Banka HUF	Sanjay Kumar Banka HUF	Sanjay Kumar Banka HUF	Sanjay Kumar Banka HUF
Vinraa Technology LLP	Vinraa Technology LLP	Vinraa Technology LLP	Vinraa Technology LLP	Vinraa Technology LLP	Vinraa Technology LLP
Hari Prasad Banka HUF	Hari Prasad Banka HUF	Hari Prasad Banka HUF	Hari Prasad Banka HUF	Hari Prasad Banka HUF	Hari Prasad Banka HUF

(iv) Particulars of Transactions with Related Parties

**Key Management Personnel & Relatives**

(₹ in lakhs)

Particulars	As at June 30, 2017	For the year ended March 31,				
		2017	2016	2015	2014	2013
<b>1) Finance</b>						
<b>a) Loans Taken</b>						
Opening Balance	-	-	-	-	-	-
Loan taken during the year	1.50	21.76	42.79	39.80	27.58	39.01
Repaid during the year	0.79	26.66	14.28	6.00	9.61	0.66
Outstanding at the end of the year	-	-	-	-	-	-
<b>b) Loans given</b>						
Opening Balance	-	-	-	-	-	-
Loans given during the year	-	-	-	-	-	-
Received during the year	-	-	-	-	-	-

Particulars	As at June 30, 2017	For the year ended March 31,				
		2017	2016	2015	2014	2013
Outstanding at the end of the year	-	-	-	-	-	-
<b>2) Expenses</b>						
Rent	-	-	-	-	-	-
Interest Paid	-	11.15	-	-	-	0.23
Remuneration	7.45	45.09	35.04	17.29	15.79	1.00
<b>3) Out standing</b>						
Receivables	-	-	-	-	-	-
Payables	97.86	92.16	86.63	28.42	-	-

**Associates / Enterprises over which directors and / or their relatives has significant influence**

(₹ in lakhs)

Particulars	For the period ended June 30, 2017	For the year ended March 31,				
		2017	2016	2015	2014	2013
<b>1) Finance</b>						
<b>a) Loans Taken</b>						
Opening Balance	-	-	-	-	-	-
Loan taken during the year	-	-	-	-	-	-
Repaid during the year	-	-	-	-	-	-
Outstanding at the end of the year	-	-	-	-	-	-
<b>b) Loans given</b>						
Opening Balance	-	-	-	-	-	-
Loans given during the year	-	-	-	-	-	-
Received during the year	-	-	-	-	-	-
Outstanding at the end of the year	-	-	-	-	-	-
<b>2) Expenses</b>						
Rent	-	-	-	-	-	-
Interest Paid	-	-	-	-	-	-
Purchases	-	-	-	9.4	24.9	45.2
Sales	-	-	-	-	90.9	-
<b>3) Outstanding</b>						
Receivables	-	-	-	-	-	-
Payables	-	-	-	1.5	-	-

**Annexure XXXIII**

**STATEMENT OF TAX SHELTER, AS RESTATED**

(₹ in lakhs)

Particulars	For the period ended June 30, 2017	For the year ended March 31,				
		2017	2016	2015	2014	2013
<b>Tax Rates</b>						
Income Tax Rate (%) (A)	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%
Surcharge (B)	0.00%	7.00%	0.00%	0.00%	0.00%	0.00%
<b>Total (A*B)</b>	<b>30.00%</b>	<b>32.10%</b>	<b>30.00%</b>	<b>30.00%</b>	<b>30.00%</b>	<b>30.00%</b>
Education Cess	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Income Tax Rate (%)	30.90%	33.06%	30.90%	30.90%	30.90%	30.90%
Minimum Alternate Tax Rate (%)	18.50%	18.50%	18.50%	18.50%	18.50%	18.50%
Education Cess	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Minimum Alternate Tax Rate (%)	19.06%	19.06%	19.06%	19.06%	19.06%	19.06%
Short Term Capital Gain Rate (%)						
<b>Income from Business or Profession</b>						
Restated Profit before tax as per books (A)	17.76	179.41	49.31	11.80	15.49	2.97

Particulars	For the period ended June 30, 2017	For the year ended March 31,				
		2017	2016	2015	2014	2013
<b>Timing Differences</b>						
Book Depreciation	4.60	17.13	15.92	12.70	5.83	2.05
Income Tax Depreciation Allowance	3.88	17.60	18.48	17.92	14.48	6.61
Gratuity expense	0.45	4.89	3.07	2.89	2.73	1.50
Deduction U/s 35	-	-	-	-	-	-
<b>Total Timing Differences (B)</b>	1.17	4.42	0.51	(2.33)	(5.92)	(3.06)
<b>Permanent Differences ( C)</b>	-	-	6.98	2.18	0.36	-
<b>Income from Business or Profession (D) = (A+B+C)</b>	18.94	183.83	56.81	11.65	9.93	(0.08)
<b>Taxable Income/(Loss)</b>	18.94	183.83	56.81	11.65	9.93	(0.08)
<b>Income Tax on above</b>	5.85	60.78	17.55	3.60	3.07	(0.03)
<b>Book Profit for MAT</b>	17.76	179.41	49.31	11.80	15.49	2.97
<b>MAT on Book Profit</b>	3.38	34.19	9.40	2.25	2.95	0.57
Tax paid as per normal or MAT	Normal	Normal	Normal	Normal	Normal	MAT
Tax paid as per returns	3.07	60.43	17.68	3.72	4.52	0.30
Difference	2.79	0.35	(0.13)	(0.13)	(1.46)	(0.33)

**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.



## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

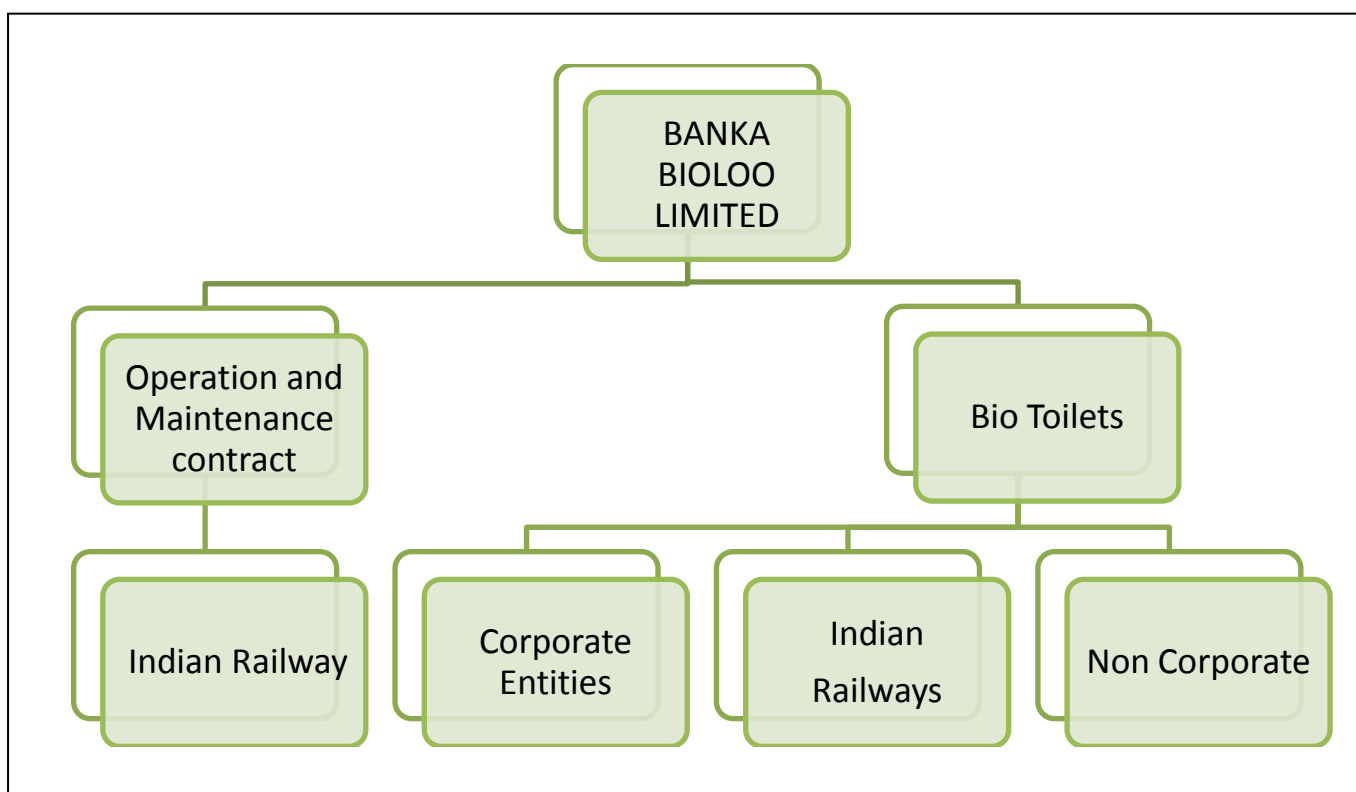
*You should read the following discussion and analysis of financial condition and results of operations together with our financial statements included in this Draft Prospectus. The following discussion relates to our Company and is based on our restated financial statements. Our financial statements 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 in 2012 with an aim to provide sanitation infrastructure and hygienic solutions for human waste treatment and disposal. After receiving our certificate of incorporation, we have taken over the running business of our promoter, 'Banka Enterprises', a sole proprietorship through a business takeover agreement dated Feb 01, 2013. For further details please refer to "History and other corporate matters" beginning on page no. 110 of this Draft Prospectus.

We focus on giving sanitation solutions to those who do not have access to toilets, as well as to those who have toilets but face trouble treating and managing the waste. We provide sanitation infrastructure and human waste management solutions and services, involving innovative and simple bio-digester technology patented by Defense Research and Development Organisation (DRDO), the R&D arm of the Indian Ministry of Defense. The anaerobic bio-digester technology helps users manage waste onsite, without depending on expensive and energy-consuming sewage infrastructure. Further, we also provide sanitation operations and maintenance (O&M) services to Indian Railways. Our business model is illustrated below



We have installed over 6,000 bio-toilet units across India and currently undertake 12 O&M service contracts with Indian Railways. For our innovation and continuous contribution for betterment of society, we have been recognized and acclaimed, nationally and globally, a few noteworthy are below:

- Carter Women's Initiative Award – Asia-Pacific Laureate
- Devi Award by Indian Express
- IMC Innovation Award - Finalist
- Changing Markets Award
- Recognized by Business Outlook
- Sankalp Award for Health, Water and Sanitation



Our solutions can be used for many purposes, few of which are:

- Household Bio-toilets
- Mobile Bio-toilets
- School Bio-toilet Blocks
- Bio-toilets at worksites
- Bio-digester Tanks for various user groups

## COMPETITION

Sanitation is one of the least prioritized and non-glamorous industries, with a handful of established players to cater to such a large market. It's mainly due to the cultural barriers and nature of work. Other companies cater to different geographies and/or clientele and offer different product lines. Though, sanitation segment is underserved segment we face competition from NGO as well as corporate. Few of them are listed below:

- Stone India
- Arkin Creation
- Sulabh Shachalaya
- Eram Scientific Solutions Private Limited
- JSL Architecture

We compete against our competitors by establishing ourselves as a well equipped company with following strengths:

- Pioneers in Bio-digester Technology Application and Development for Commercialization
- Consistent and Standardised Product Quality
- Experienced & Qualified Team:
- Economical & Affordable product
- Environmentally-friendly System
- Strong Client Base

---

**Significant Developments after March 31, 2017 that may affect our Future Results of Operations**

The Directors confirm that there have been no events or circumstances since the date of last financial statements as disclosed in this 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 earn our entire revenue from sale of products. Since we continuously endeavour to provide quality products to our customers therefore, our revenues are impacted by such quality 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
<b>INCOME:</b>										
Revenue from Operations(Net)	261.94	99.57%	1505.32	99.31%	1426.54	99.56%	818.73	99.87%	524.25	98.91%
Other Income	1.14	0.43%	10.51	0.69%	6.34	0.44%	1.05	0.13%	5.8	1.09%
<b>Total income</b>	<b>263.08</b>	<b>100.00%</b>	<b>1515.83</b>	<b>100.00%</b>	<b>1432.88</b>	<b>100.00%</b>	<b>819.78</b>	<b>100.00%</b>	<b>530.05</b>	<b>100.00%</b>
<b>EXPENSES:</b>										
Cost Of Material Consumed	112.43	42.74%	604.83	39.90%	665.86	46.47%	533.73	65.11%	367.42	69.32%
Changes in inventories of finished goods	-16.96	-6.45%	8.32	0.55%	128.37	8.96%	-24.32	-2.97%	-58.84	-11.10%
Employee benefits expense	73.85	28.07%	279.17	18.42%	161.05	11.24%	143.32	17.48%	95.51	18.02%
Finance cost	18.35	6.98%	60.97	4.02%	41.06	2.87%	23.14	2.82%	15.96	3.01%
Depreciation and amortization expense	4.6	1.75%	17.13	1.13%	15.92	1.11%	12.7	1.55%	5.83	1.10%
Other Expenses	53.04	20.16%	366.01	24.15%	371.3	25.91%	119.41	14.57%	88.69	16.73%
<b>Total expenses</b>	<b>245.3</b>	<b>93.24%</b>	<b>1336.42</b>	<b>88.16%</b>	<b>1383.56</b>	<b>96.56%</b>	<b>807.98</b>	<b>98.56%</b>	<b>514.56</b>	<b>97.08%</b>
<b>Net Profit / (Loss) before Tax</b>	<b>17.77</b>	<b>6.75%</b>	<b>179.41</b>	<b>11.84%</b>	<b>49.32</b>	<b>3.44%</b>	<b>11.8</b>	<b>1.44%</b>	<b>15.49</b>	<b>2.92%</b>
<b>Less: Tax expense</b>										
Current tax	5.85	2.22%	60.43	3.99%	17.62	1.23%	3.54	0.43%	4.87	0.92%
Deferred tax	-0.36	-0.14%	3.29	0.22%	-0.16	-0.01%	0.72	0.09%	1.83	0.35%
<b>Total Tax Expense</b>	<b>5.49</b>	<b>2.09%</b>	<b>63.72</b>	<b>4.20%</b>	<b>17.46</b>	<b>1.22%</b>	<b>4.26</b>	<b>0.52%</b>	<b>6.70</b>	<b>1.26%</b>
<b>Net Profit / ( Loss ) after tax</b>	<b>12.27</b>	<b>4.66%</b>	<b>115.69</b>	<b>7.63%</b>	<b>31.85</b>	<b>2.22%</b>	<b>7.54</b>	<b>0.92%</b>	<b>8.79</b>	<b>1.66%</b>

---

**Main Components of our Profit and Loss Account****Income**

Our total income comprises of revenue from operations and other income.

*Revenue from Operations*

Our revenue from operations as a percentage of total income was 99.31%, 99.56%, 99.87% and 98.91% respectively, for the fiscals 2017, 2016, 2015 and 2014 and 99.57% for three months period ended June 30, 2017

*Other Income*

Our other income comprises of interest income, discount receive, Scrap Sell etc. Other income, as a percentage of total income was 0.69%, 0.44%, 0.13% and 1.09% respectively, for fiscals 2017, 2016, 2015 and 2014 and 0.43% for three months period ended June 30, 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 Raw Material, Packing Material, Stores & Spares and Bought out Material.

*Employee Benefit Expenses*

Expenses in relation to employees' remuneration and benefits include salary & wages, director's remuneration, contribution to PF& ESIC, Contribution to Gratuity, staff welfare expenses etc.

*Finance costs*

Finance cost primarily consists of borrowing costs and interest payable on loans availed by our company from banks & financial institutions and entities and also includes bank charges.

*Depreciation and Amortization Expenses*

Depreciation and Amortization Expenses primarily consist of depreciation on the fixed assets of our Company which primarily includes Machinery, Furniture and Fixtures, Office equipment, Vehicles and Computer & Peripherals, Shed etc and on Intangible Asset which include Bio Digester Technology.

*Other Expenses*

Other expenses primarily include Contractor & Labour Charges, Freight Outward, Office Maintenance, Rent, Rates & Taxes and Travelling & Conveyance.

*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 three (3) months period ended June 30, 2017**

#### *Income*

Our total income for the three months period ended June 30, 2017 was ₹ 263.08 lakhs. In the current period, the revenue earned from operations is ₹ 261.94 lakhs or 99.57% of the total income. Other income for said period was recorded at ₹ 1.14 lakhs or 1.14% of total income.

#### *Purchases*

Our purchase cost & direct expenses for the three months period ended June 30, 2017 were ₹ 112.43 lakhs which as a proportion of our total income was 42.74%.

#### *Employee Benefit Expenses*

Our Employee Benefit Expenses for the three months period ended June 30, 2017 were ₹ 73.85 lakhs. As a proportion of our total income they were 28.07%.

#### *Financial Cost*

Our Financial Cost for the three months period ended June 30, 2017 was ₹ 18.35 i.e. 6.98% of the total income for the period.

#### *Depreciation and Amortization Expenses*

Our Depreciation and Amortization Expenses for the three months period ended June 30, 2017 was ₹ 4.60 lakhs. As a proportion of total income they were 1.75%.

#### *Other Expenses*

Our Other Expenses for the three months period ended June 30, 2017 ₹ 53.04 lakhs. As a proportion of our total income they were 20.16%.

#### *Profit before Tax*

Profit / (Loss) before Tax for the three months period ended June 30, 2017 were ₹ 17.77 lakhs.

#### *Profit after Tax*

Profit / (Loss) after Tax for the three months period ended June 30, 2017 were ₹ 12.27 lakhs.

### **Fiscal 2017 compared with fiscal 2016**

#### *Income*

In fiscal 2017, our total income increased by ₹ 82.95 lakhs or 5.79%, from ₹ 1432.88 lakhs in fiscal 2016 to ₹ 1515.83 lakhs in fiscal 2017. The increase in the year 2017 was due to increase in the revenue from operations as compared to last year.

Revenue from Operations increased by ₹ 78.78 lakhs or 5.52%, from ₹ 1426.54 lakhs in fiscal 2016 to ₹ 1505.32 lakhs in fiscal 2017. The major factor for such increase was due to rise in sale of product and services.

Other Income increased by ₹ 4.17 lakhs or 65.77%, from ₹ 6.34 lakhs in fiscal 2016 to ₹ 10.51 lakhs in fiscal 2017. The major factor for such increase was due to rise in interest income and Scrap sales.

#### *Purchases*

The purchases cost in fiscal 2017 were ₹ 604.83 lakhs, an decrease in of ₹ 61.03 lakhs or 9.17% as compared to the previous year purchases of ₹ 665.86 lakhs in fiscal 2016.

*Employee Benefit Expenses*

Our staff cost increased by ₹ 118.12 lakhs or 73.34%, from ₹ 161.05 lakhs in fiscal 2016 to ₹ 279.17 lakhs in fiscal 2017. This increase was mainly due to increase in salaries and wages.

*Finance Cost*

Finance cost during the year increased by ₹ 19.91 lakhs or 48.49%, from ₹ 41.06 lakhs in fiscal 2016 to ₹ 60.97 lakhs in fiscal 2017. The increase was due to increase in interest cost.

*Depreciation and Amortization Expenses*

Depreciation expenses increased by ₹ 1.21 lakhs or 7.60% from ₹ 15.92 lakhs in fiscal 2016 to ₹ 17.13 lakhs in fiscal 2017. This increase was on account of purchase of machinery, office equipments and Vehicles in FY 2016-17.

*Other Expenses*

Other expenses decreased by ₹ 5.29 lakhs or 1.42% from ₹ 371.30 lakhs in fiscal 2016 to ₹ 366.01 lakhs in fiscal 2017. The decrease was due to decrease in contractor & Labour Charges incurred in fiscal 2017.

*Profit before Tax*

Our Profit before tax increased by ₹ 130.09 lakhs or 263.77% from ₹ 49.32 lakhs in fiscal 2016 to ₹ 179.41 lakhs in fiscal 2017. The increase was due to increase in Revenue and decrease in total expenses.

*Profit after Tax*

After accounting for taxes at applicable rates, our Profit after Tax increased by ₹ 83.84 lakhs or 263.23 %, from ₹ 31.85 lakhs in fiscal 2016 to ₹ 115.69 lakhs in fiscal 2017.

**Fiscal 2016 compared with fiscal 2015***Income*

In fiscal 2016, our total income increased by ₹ 613.1 lakhs or 74.79%, from ₹ 819.78 lakhs in fiscal 2015 to ₹ 1432.88 lakhs in fiscal 2016. The increase in the year 2016 was due to increase in revenue from operations as compared to last year.

Revenue from Operations increased by ₹ 607.81 lakhs or 74.24%, from ₹ 818.73 lakhs in fiscal 2015 to ₹ 1426.54 lakhs in fiscal 2016. The major factor for such increase was due to rise in sale of product and services.

Other Income increased by ₹ 5.29 lakhs or 503.81%, from ₹ 1.05 lakhs in fiscal 2015 to ₹ 6.34 lakhs in fiscal 2016. The major factor for such increase was due to rise in interest income.

*Purchases*

The purchases cost in fiscal 2016 were ₹ 665.86 lakhs, an increase in of ₹ 132.13 lakhs or 24.76% as compared to the previous year purchases of ₹ 533.73 lakhs in fiscal 2015.

*Employee Benefit Expenses*

Our staff cost increased by ₹ 17.73 lakhs or 12.37%, from ₹ 143.32 lakhs in fiscal 2015 to ₹ 161.05 lakhs in fiscal 2016. This increase was mainly due to increase in salaries and wages.

*Finance Cost*

Finance cost during the year increased by ₹ 17.92 lakhs or 77.44%, from ₹ 23.14 lakhs in fiscal 2015 to ₹ 41.06 lakhs in fiscal 2016. The increase was due to increase in interest cost.



*Depreciation and Amortization Expenses*

Depreciation expenses increased by ₹ 3.22 lakhs or 25.35% from ₹ 12.7 lakhs in fiscal 2015 to ₹ 15.92 lakhs in fiscal 2016. This increase was on account of purchase of machinery, office equipments and Vehicles and shed.

*Other Expenses*

Other expenses increased by ₹ 251.89 lakhs or 210.95% from ₹ 119.41 lakhs in fiscal 2015 to ₹ 371.30 lakhs in fiscal 2016. The increase was due to increase in contractor & Labour Charges.

*Profit before Tax*

Our Profit before tax increased by ₹ 37.52 lakhs or 317.97% from ₹ 11.8 lakhs in fiscal 2015 to ₹ 49.32 lakhs in fiscal 2016. The increase was due to increase in Revenue.

*Profit after Tax*

After accounting for taxes at applicable rates, our Profit after Tax increased by ₹ 24.31 lakhs or 322.41 %, from ₹ 7.54 lakhs in fiscal 2015 to ₹ 31.85 lakhs in fiscal 2016.

**Fiscal 2015 compared with fiscal 2014***Income*

In fiscal 2015, our total income increased by ₹ 289.73 lakhs or 54.66%, from ₹ 530.05 lakhs in fiscal 2014 to ₹ 819.78 lakhs in fiscal 2015. The increase in the year 2015 was due to increase in revenue from operations as compared to last year.

Revenue from Operations increased by ₹ 294.48 lakhs or 56.17%, from ₹ 524.25 lakhs in fiscal 2014 to ₹ 818.73 lakhs in fiscal 2015. The major factor for such increase was due to rise in sale of product and services.

Other Income decreased by ₹ 4.75 lakhs or 81.90%, from ₹ 5.8 lakhs in fiscal 2014 to ₹ 1.05 lakhs in fiscal 2015. The major factor for such decrease was they received award money in 2014, but not in 2015.

*Purchases*

The purchases cost in fiscal 2015 were ₹ 533.73 lakhs, an increase in of ₹ 166.31 lakhs or 45.26% as compared to the previous year purchases of ₹ 367.42 lakhs in fiscal 2014.

*Employee Benefit Expenses*

Our staff cost increased by ₹ 47.81 lakhs or 50.06%, from ₹ 95.51 lakhs in fiscal 2014 to ₹ 143.32 lakhs in fiscal 2015. This increase was mainly due to increase in salaries and wages.

*Finance Cost*

Finance cost during the year increased by ₹ 7.18 lakhs or 44.99%, from ₹ 15.96 lakhs in fiscal 2014 to ₹ 23.14 lakhs in fiscal 2015. The increase was due to increase in interest cost.

*Depreciation and Amortization Expenses*

Depreciation expenses increased by ₹ 6.87 lakhs or 117.84% from ₹ 5.83 lakhs in fiscal 2014 to ₹ 12.7 lakhs in fiscal 2015. This increase was on account of purchase of machinery, office equipment and Vehicles in FY 2014-15.

*Other Expenses*

Other expenses increased by ₹ 30.72 lakhs or 34.64% from ₹ 88.69 lakhs in fiscal 2014 to ₹ 119.41 lakhs in fiscal 2015. The increase was due to increase in contractor & Labour Charges, freight outward, Rent etc. in FY 2014-2015.

### *Profit before Tax*

Our Profit before tax decreased by ₹ 3.69 lakhs or 23.82% from ₹ 15.49 lakhs in fiscal 2014 to ₹ 11.8 lakhs in fiscal 2015. The decrease was due to increase in purchase and increase in depreciation.

### *Profit after Tax*

After accounting for taxes at applicable rates, our Profit after Tax decreased by ₹ 1.25 lakhs or 14.22%, from ₹ 8.79 lakhs in fiscal 2014 to ₹ 7.54 lakhs in fiscal 2016.

### **Cash Flows**

(₹ in lakhs)

Particulars	Period ended June 30, 2017	Year ended March 31,			
		2017	2016	2015	2014
Net Cash from Operating Activities	(16.65)	73.62	(60.15)	(140.61)	29.19
Net Cash from Investing Activities	(3.96)	(19.58)	(6.53)	(70.55)	(21.46)
Net Cash used in Financing Activities	(3.15)	(18.68)	68.30	218.21	(11.31)
Net Increase / (Decrease) in Cash and Cash equivalents	(23.76)	35.36	1.61	7.05	(3.58)

### ***Cash Flows from Operating Activities***

Net cash from operating activities in the period ended June 30, 2017 was negative ₹ 16.65 lakhs as compared to the PBT of ₹ 17.76 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 ₹ 73.62 lakhs as compared to the PBT of ₹ 179.41 lakhs for the same period. This difference is primarily on account of changes in inventories, trade receivables, short term loans and advances, other current assets, trade payables, long term provisions, other current liabilities and short term provisions.

Net cash from operating activities in fiscal 2016 was negative ₹ 60.15 lakhs as compared to the PBT of ₹ 49.31 lakhs for the same period. This difference is primarily on account of changes in inventories, trade receivables, short term loans and advances, other current assets, trade payables, other current liabilities and short term provisions.

Net cash from operating activities in fiscal 2015 was negative ₹ 140.61 lakhs as compared to the PBT of ₹ 11.80 lakhs for the same period. This difference is primarily on account of changes in inventories, trade receivables, short term loans and advances, trade payables, other current liabilities and short term provisions.

### ***Cash Flows from Investment Activities***

In period ended June 30, 2017, the net cash invested in Investing Activities was negative 3.96 lakhs. This was on account of purchase of fixed assets.

In fiscal 2017, the net cash invested in Investing Activities was negative 19.58 lakhs. This was on account of purchase of fixed assets and interest received.

In fiscal 2016, the net cash invested in Investing Activities was negative ₹ 6.53 lakhs. This was on account of purchase of fixed assets and interest received.

In fiscal 2015, the net cash invested in Investing Activities was negative ₹ 70.55 lakhs. This was on account of purchase of fixed assets and interest received.

### ***Cash Flows from Financing Activities***

Net cash from financing activities in period ended June 30, 2017 was negative ₹ 3.15 lakhs. This was on account of repayment of short term borrowings, interest and financial charges.

Net cash from financing activities in fiscal 2017 was negative ₹ 18.68 lakhs. This was on account of increase in long term borrowings, decrease in short term borrowings, and payment of interest and financial charges.

Net cash from financing activities in fiscal 2016 was ₹ 68.30 lakhs. This was on account of increase in long term borrowings, decrease in short term borrowings, increase in interest & financial charges.

Net cash from financing activities in fiscal 2015 was ₹ 218.21 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.

### **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 nos. 133 and 157 respectively of this Draft 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 nos. 11 and 157 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 no. 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 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 no. 83 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**

There is no dependence on a single or few suppliers or customers

## FINANCIAL INDEBTEDNESS

Set forth below, is a brief summary of our Company's borrowings as on June 30, 2017 together with a brief description of certain significant terms / material covenants of the relevant financing arrangements.

( ₹ in lakhs)

Nature of Borrowing	Amount
Secured Borrowings	108.41
Unsecured Borrowing	354.36
<b>Total</b>	<b>462.77</b>

### SECURED BORROWINGS OF OUR COMPANY

( ₹ in lakhs)

Name of Lender	Type of Loan	Date of Sanction	Sanctioned amount	Amount outstanding as on June 30, 2017	Rate of Interest (p.a.)	Validity / Repayment Schedule	Security Provided
Jain Sons Finlease Limited	Short Term Loan ₹ 125.00 lakhs subject to a maximum exposure of ₹ 75.00 lakhs	23.02.2016	22.70	2.74	18.50%	Repayable in 18 equal monthly installments of ₹ 1.45 lakhs	Note 1
		08.08.2016	25.00	11.99	18.25%	Repayable in 18 equal monthly installments of ₹ 1.60 lakhs	
HDFC Bank	Cash Credit Facility	12.07.2014	100.00	85.66	13.00% (B.R. + 3%)	12 months	Hypothecation of stock and book Debts

#### Note 1:

- Personal Guarantee of Mrs. Namita Banka and Mr. Sanjay Banka along with a CA certified Net worth Statement.
- Four undated cheques from each of the guarantors, with each guarantor covering the facility amount in full.
- Issue of post-dated cheques (PDC's) for the loan amount and any amounts becoming payable under the repayment schedule in Facility Agreement pursuant to the Term Sheet.
- Addendum to deed of hypothecation by creating first and exclusive charge on all the Plant and Machinery of the Company.
- Addendum to Equitable Mortgage of residential plot owned by Mr. Sanjay Banka

### DETAILS CAR LOAN

( ₹ in lakhs)

Name of the Lender	Loan Account No.	Sanctioned Amount (₹ in lakhs)	Outstanding Amount as on June 30, 2017	Rate of Interest (%)	Repayment Schedule	Security Created
Ford Credit India Private Limited	010101000009447	9.00	8.51	8.40%	Repayable in 60 equal monthly installments of ₹ 18,422	Hypothecation of Motor Car

## UNSECURED BORROWINGS OF OUR COMPANY:

Our Company has availed sixteen unsecured loans as on June 30, 2017 details of which are set out below:

(₹ in lakhs)

Name of the lender	Loan Amount	Rate of Interest	Repayment Schedule	Amount Outstanding
Edelweiss Retail Finance Limited	20.09	18.00%	Pre EMI of ₹ 5,025 36 Monthly Installments	17.90
IndusInd Bank Ltd	25.00	17.50%	Pre EMI of ₹ 4,791 36 Monthly Installments	22.24
Kotak Mahindra Bank Limited	25.00	17.50%	36 Monthly Installments	22.27
RBL Bank Ltd	30.00	17.00%	Pre EMI of ₹ 6,986 36 Monthly Installments	26.67
Standard Chartered Bank	28.00	17.00%	36 Monthly Installments	25.54
Tata Capital	25.14	17.16%	36 Monthly Installments	22.46
Bajaj Finserv	20.20	19.00%	36 Monthly Installments	10.96
Bajaj Finserv	9.09	17.50%	36 Monthly Installments	7.67
Capital First	15.00	19.00%	36 Monthly Installments	8.13
Fullerton India Credit Co. Limited	15.33	19.00%	Pre EMI of ₹ 14,560 36 Monthly Installments	8.74
HDFC Bank	25.00	16.00%	48 Monthly Installments	12.37
India Infoline Finance Limited	30.00	17.50%	Pre EMI of ₹ 4316 36 Monthly Installments	27.39
Magma Fincorp Limited	25.00	19.99%	48 Monthly Installments	17.58
Magma Fincorp Limited	25.00	15.99%	36 Monthly Installments	25.33
Religare Finvest Limited	25.00	19.10%	36 Monthly Installments	14.26
<b>TOTAL</b>				<b>269.51</b>

Apart from above we have outstanding borrowing as on June 30, 2017 from our directors & related parties (payable on demand) as follows

- Sanjay Banka(HUF) ₹ 32.66 lakhs
- Mrs. Namita Banka ₹ 5.00 lakhs
- Mr. Vishal Murarka ₹ 15.15 lakhs
- Hari Prasad Banka (HUF) ₹ 31.51 lakhs
- Mr. Nishit Banka ₹ 0.50 lakhs

## SECTION VII – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

*Except as stated in this section, there are no:*

*A. (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) claims relating to direct and indirect taxes; or (iv) Material Litigation (as defined below); involving our Company, Directors, Promoters or Group 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 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.bankabio.com](http://www.bankabio.com)*

*Our Company, Directors, Promoter and Group Companies are not Wilful Defaulters and there have been no violations of securities laws in the past or pending against them.*

### LITIGATION INVOLVING OUR COMPANY

#### A. LITIGATION AGAINST OUR COMPANY

##### 1. Criminal matters

NIL

##### 2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

##### 3. Litigation involving Tax Liabilities

###### (i) Direct Tax Liabilities

NIL

###### (ii) Indirect Taxes Liabilities

NIL

##### 4. Other Pending Litigations

NIL

## **B. CASES FILED BY OUR COMPANY**

### **1. Litigation Involving Criminal matters**

**Complaint bearing CCSR No. 1128/2017 filed by Banka BioLoo Private Limited (“the Company”) and Namita Banka (collectively “Complainants”) agasint Anand Govindaluri (“Accused”) before the Honourable Chief Metropolitan magistrate, Hyderabad (“the Court”).**

The Complainant and the Accused had entered into an agreement dated December 21, 2015 (“the Agreement”) pursuant to which the Accused had agreed to subscribe to the Convertible Debentures worth ₹ 50,00,000 in the Company. Thereafter, the Accused remitted half the amount through an entity called Startup Accelerator India Private Limited, Vishakapatnam, and not from Govin Capital Private Limited, Singapore, as agreed by the Accused in the Agreement. Subsequently, the Agreement was terminated as the Accused failed to make the payment towards the balance amount.. Thereafter, the Accused threatened the Complainant to jeopardize prospective investors and their current and future clients unless the Complainants executed another agreement. Aggrieved by the aforesaid threats, the Complainant filed a Complaint before the Court inter-alia praying that the Court refer the Complaint to the concerned police to on duct investigation and for grant of compensation for the inconvenience and agony that the Complainant had beared. This matter is currently pending.

#### **Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

### **2. Litigation involving Tax Liabilities**

#### **(i) Direct Tax Liabilities**

NIL

#### **Indirect Taxes Liabilities**

NIL

### **3. Other Pending Litigations**

**Legal Notice dated March 14, 2017 issued by Banka Bioloo Private Limited (“the Company”) to the General Manager, Eastern Railway**

The Company has signed an Agreement dated March 07, 2016 with the Eastern Railway for the performance of Annual Maintenance and Operations Contract (AMOC) work for Bio-toilets in the coaches in Malda Town and Bhagalpur Coaching Depots for a period of two years. Thereafter, the Company observed that there was a huge discrepancy in the payments received by the Company from the Eastern Railways. Subsequently, the Company issued a Legal Notice dated March 14, 2017 to The General Manager of the Eastern Railway, for the appointment of an Arbitrator in order to resolve the issues regarding payment of the work done as per the schedule of rates according to the General Conditions of Contract for 2 years in connection with Tender No. M/PD/OT/03 of 2015-16. The Senior Divisional Mechanical Engineer, Eastern Railway/ Malda (“the Respondent”) appointed the Sole Arbitrator vide letter dated March 29, 2017 to settle the aforementioned dispute. Consequently, vide letter dated April 12, 2017, the Deputy Chief Accounts Officer, Eastern Railway, Kolkota (“the Sole Arbitrator”) directed the Company to submit the Statement of Facts of their claim along with the supporting documents, correspondences, etc. within 15 days. This matter is currently pending.

## **LITIGATION INVOLVING OUR DIRECTORS**

### **A. LITIGATION AGAINST OUR DIRECTORS**

#### **1. Criminal matters**

NIL



## 2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

## 3. Litigation involving Tax Liabilities

### (i) Direct Tax Liabilities

NIL

### (ii) Indirect Taxes Liabilities

NIL

## 4. Other Pending Litigations

NIL

## B. LITIGATION FILED BY OUR DIRECTORS

### 1. Litigation Involving Criminal matters

*For the details of the litigations filed by our Directors, please see the section titled 'Litigations filed by our Company' of this chapter beginning on page no. 170 on this Draft Prospectus.*

## 2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

## 3. Litigation involving Tax Liabilities

### (i) Direct Tax Liabilities

NIL

### (ii) Indirect Taxes Liabilities

NIL

## 4. Other Pending Litigations

**Mr. Jayant Kumar, our Independent Director is a party to a civil litigation as summerised below:**

Case No.	Petitioner	Respondent	Subject Matter	Outstanding at	Status
WPSR 105123 / 2010	Jayant Kumar & Others	1. The State of Andhra Pradesh, rep. by its Secretary Revenue Department, Secretarial Buildings, Hyderabad 2. The Chief Commissioner of Land Administration Government of Andhra Pradesh, Nampally Road 3. The District Collector, Hyderabad District, Hyderabad 4. The Tahsildar/Mandal Revenue officer, Thirumalgherry Mandal, Secunderabad	Encroachment (Land and Buildings) with respect of Survey No. 81, Plot Nos.26 and 27 admeasuring 800 sq. yards situated in Sanjeevaiah Cooperative House Building Society, Bowenpally village, Trimulgherry Mandal, Hyderabad	Andhra Pradesh High Court	Pending

## **LITIGATION INVOLVING OUR PROMOTERS**

### **A. LITIGATION AGAINST OUR PROMOTERS**

#### **1. Litigation Involving Criminal matters**

*For the details of the litigations filed by our Promoter, please see the section titled 'Litigations filed by our Company' of this chapter beginning on page no. 170 of this Draft Prospectus.*

#### **2. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

#### **3. Litigation involving Tax Liabilities**

##### **(i) Direct Tax Liabilities**

NIL

##### **(ii) Indirect Taxes Liabilities**

NIL

#### **4. Other Pending Litigations**

NIL

### **B. LITIGATION FILED BY OUR PROMOTERS**

#### **1. Litigation Involving Criminal matters**

NIL

#### **2. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

#### **3. Litigation involving Tax Liabilities**

##### **(i) Direct Tax Liabilities**

NIL

##### **(ii) Indirect Taxes Liabilities**

NIL

#### **4. Other Pending Litigations**

NIL

## **LITIGATION INVOLVING OUR GROUP COMPANIES**

### **A. LITIGATION AGAINST OUR GROUP COMPANIES**

#### **1. Litigation involving Criminal matters**

NIL

**2. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3. Litigation involving Tax Liabilities**

**(i) Direct Tax Liabilities**

NIL

**(ii) Indirect Taxes Liabilities**

NIL

**4. Other Pending Litigations**

NIL

**B. LITIGATION FILED BY OUR GROUP COMPANIES**

**1. Criminal matters**

NIL

**2. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3. Litigation involving Tax Liabilities**

**(i) Direct Tax Liabilities**

NIL

**(ii) Indirect Taxes Liabilities**

NIL

**4. Other Pending Litigations**

NIL

**There are no litigations or legal actions, pending or taken, by any Ministry or Department of the Government or a statutory authority against our Promoters during the last 5 (five) years.**

There are no litigations or legal actions, pending or taken, by any Ministry or Department of the Government or a statutory authority against our Promoters during the last 5 (five) years.

**Pending proceedings initiated against our Company for economic offences.**

There are no pending proceedings initiated against our Company for economic offences.

**Inquiries, investigations etc. instituted under the Companies Act, 2013 or any previous companies enactment in the last 5 (five) years against our Company.**

There are no inquiries, investigations etc. instituted under the Companies Act or any previous companies enactment in the last 5 (five) years against our Company.

### **Material Fraud against our Company in the last 5 (five) years**

There has been no material fraud committed against our Company in the last 5 (five) years.

### **Fines imposed or compounding of offences for default**

There are no fines imposed or compounding of offences done in the last 5 (five) years immediately preceding the year of the Draft Prospectus for the Company for default or outstanding defaults.

### **Non-Payment of Statutory Dues**

There have been no defaults or outstanding defaults in the payment of statutory dues payable by the Company as of the date of the last audited financial statements of the Company.

### **Amounts owed to small scale undertakings and other creditors**

As of June 30, 2017, our Company owes the following amounts to small scale undertakings, other creditors and material creditors:

<b>Particulars</b>	<b>Number of creditors</b>	<b>Amount Involved (in ₹ Lakhs)</b>
Micro, Small and Medium Enterprises	Nil	Nil
Material Creditors	103	120.99
Other Creditors	189	45.30
<b>Total</b>	<b>292</b>	<b>166.29</b>

Details in relation to the amount owed by our Company to material creditors, small scale undertakings and other creditors as on June 30, 2017 are also available on [www.bankabio.com](http://www.bankabio.com)

*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 required to undertake the Issue or continue our business activities. In view of the approvals listed below, we can undertake the Issue and our current business activities and no further major approvals from any governmental/regulatory authority or any other entity are required to be undertaken, in respect of the Issue or to continue our business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of our Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf.*

*The main objects clause of the Memorandum of Association of our Company and the objects incidental, enable our Company to carry out its activities.*

### **I. Approvals for the Issue**

1. The Board of Directors have, pursuant to Section 62(1)(c) of the Companies Act, 2013, by a resolution passed at its meeting held on November 15, 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 Section 62(1)(c) of the Companies Act, 2013, by a special resolution passed in the Extra-Ordinary General Meeting held on November 16, 2017 authorized the Issue.
3. In-principle approval dated [●] from NSE Emerge for listing of the Equity Shares issued to the Company pursuant to the Issue.
4. The ISIN of the Company is [●].

### **II. Approvals Pertaining to Incorporation and Constitution of the Company**

1. Certificate of Incorporation dated August 31, 2012 issued by the Registrar of Companies, Andhra Pradesh in the name of “BANKA BIOLOO PRIVATE LIMITED”.
2. Certificate of Incorporation Consequent upon Conversion to Public Limited Company dated November 15, 2017 issued by Registrar of Companies, Hyderabad evidencing the change of name of Company from “BANKA BIOLOO PRIVATE LIMITED” to “BANKA BIOLOO LIMITED”.
3. The Corporate Identification Number (CIN) of our Company is U90001AP2012PLC082811.

### **III. Approvals/ Licences / Permissions Received to conduct the Business**

1. Permanent Account Number (PAN) – AAFCB2385R;
2. Tax Deduction Account Number (TAN) – HYDB05458F
3. Importer – Exporter Code (IEC) – 0913020761;
4. Udyog Aadhar Memorandum bearing UAN TS02B0000346 issued by Ministry of Micro, Small, & Medium Enterprises for a small manufacturing enterprise.
5. Registration Certificate dated May 31, 2016 bearing reference no. NSIC/GP/HYD/201427723/436 issued by National Small Industries Corporation Limited. The Company has been registered as a SSI Unit eligible for participation in the Central Government Store Purchase Programme as per the Single Point Registration Scheme for (i) fabrication, assembly and installation of Control Discharge Toilet System (CDTS); (ii) fabrication, assembly and installation of Retention Tank System (Bio Toilet); and Anaerobic Bacteria. The certificate is valid from May 7, 2016 to May 6, 2018.
6. Registered as Vendor with Indian Railways E-Procurement System (IREPS) bearing registration no. NSIC/GP/HYD/2014/0004001 in the year 2012. The registration is valid till May 6, 2018.

7. Letter dated May 20, 2013 bearing number AP/HYD/0081173/000/0-1/T3/283 evidencing registration under Employees Provident Fund and Miscellaneous Provisions Act, 1952, issued by the Assistant P.F. Commissioner (Compliance). The code number allotted to the Company is AP/HYD/0081173/000 and is made effective from March 31, 2013.
8. Letter dated May 15, 2013 for allotment of Code No. 52000441500000606 issued by Employees' State Insurance Corporation with respect to registration of factory situated at Plot No. 81, IDA, Phase III, Cherlapally, Hyderabad – 500051.
9. Certificate of Registration for ISO 9001:2015 dated September 15, 2016 bearing certificate no. 910115091611 issued by DUV Certification Private Limited with respect to manufacture, installation, repair, maintenance of control discharge toilet systems, retention tanks, bio toilets, bio tanks and fabricated items for railways and domestic applications and inoculation and supply of anaerobic bacteria. The Certificate of Registration is valid for a period of 3 years, i.e, till September 14, 2019, subject to satisfactory maintenance and completion of surveillance audit.


#### IV. Specific Registrations obtained by the Company

Sr. No.	Property Description	Licence/ Approval Obtained	Date of Expiry
<b>TELANGANA</b>			
1.	Plot no 11-4-651, Flat No. A 109, Express Apartment Lakdi ka Pool, Hyderabad – 500004, being the Registered Office of the Company;	(i) Certificate of Registration dated September 21, 2017 bearing registration no. 36AAFCB2385R1Z2 for Goods and Service Tax. (ii) Profession Tax Payer Registration Certificate dated May 7, 2013 bearing PTIN 28142450352 issued by Profession Tax Officer, Aghapura under Andhra Pradesh Tax on Profession Trade, Calling and Employment Act, 1987. The effective date of registration is April 1, 2013. (iii) Profession Tax Payer Enrolment Certificate dated May 7, 2013 bearing PTIN 28534687837 issued by the Profession Tax Officer, Aghapura under Andhra Pradesh Tax on Profession Trade, Calling and Employment Act, 1987. The effective date of registration is April 1, 2013.	Valid until cancelled Valid until cancelled Valid until cancelled
2.	Plot No 81, IDA, Phase 3, Cherlapally, Hyderabad – 500051, being the Fabrication Unit (manufacturing) of the Company; and	License to Work a Factory dated January 18, 2014 bearing registration number 100241 and licence number RR-II/2/2014 issued by the Inspector of Factories, Rangareddy bearing under Factories Act, 1948.	Valid until cancelled
3.	Kolanpak Village, Aler, District: Nalgonda, Hyderabad – 508101 being Inoculum Generation Unit (manufacturing) of the Company.	Licencing Agreement dated January 12, 2012 for Transfer of Technology between Defence Research & Development Establishment, Gwalior under Defence Research & Development Organisation (DRDO), Ministry of Defence and Banka Enterprises for transfer of technology of “Bio-Digester”. Vide a Certificate dated January 30, 2012 bearing No. Ento/05436/VV issued by the Sc. ‘G’	

Sr. No.	Property Description	Licence/ Approval Obtained	Date of Expiry
		& Associate Director, POC, DRDO-FICCI-ATAC Program, DRDO, Government of India has authorized Banka Enterprises to use the transferred technology of Bio Digester (Bio Toilets) for commercial purposes. Subsequently, vide a letter dated January 21, 2013 bearing No. D0RDO/CCR&D/(SI)DI <sup>2</sup> TM/TOT/DR DE/2013 issued by the Additional Director, DRDO, it has approved transfer of licence from Banka Enterprise to the Company for Biodigester technology.	
<b>RAJASTHAN</b>			
4.	Plot No C158 B, MIA, Alwar, Rajasthan – 301030 being the Structure production unit (manufacturing) of the Company.	Certificate of Registration dated September 26, 2017 bearing registration no. 08AAFCB2385R1Z1 for Goods and Service Tax.	Valid until cancelled
<b>BIHAR</b>			
5.	B-42, Near Shiv Mandir, A. G. Colony, Ashiana Nagar, P.S. Shastri Nagar, Patna-800025 (Bihar) being the sale point of the Company	Certificate of Registration dated September 23, 2017 bearing registration no. 10AAFCB2385Rfor Goods and Service Tax.	Valid until cancelled

## V. Pending Approvals

### 1. Intellectual Property- Trademarks

Sr. No	Particulars of the mark	Trademark type	Proprietor	Trademark/Application Number	Class	Status
i.		Device	Namita Banka	2362475	5	Advertised before acceptance (as of November 17, 2017).

- The Company has obtained Provisional Registration Certificate dated November 15, 2017 bearing registration number SEAP/HYD/ACL/A2/08489/2017, under Telangana Shops and Establishments Act, 1988 for its Registered Office situated at Plot no 11-4-651, Flat No. A 109, Express Apartment Lakdi ka Pool, Hyderabad – 500004. The Provisional Registration Certificate is valid till final order is passed on the application.
- The Company has made an application for registration bearing application id TBSE REG/2017/12475 under Bihar Shops and Establishment Act, 1953 for its office situated at B-42, Near Shiv Mandir, A. G. Colony, Ashiana Nagar, P.S. Shastri Nagar, Patna-800025 and is awaiting final registration.
- The Company has made an application to Rajasthan Pollution Control Board for Consent to Operate for its manufacturing premises situated at Plot No C158 B, MIA, Alwar, Rajasthan – 301030. The application has been made for manufacturing cement products (without using asbestos) under Green Category.
- The Company has not obtained registration under Telangana Shops and Establishments Act, 1988 for its premises situated at Kolanpak Village, Aler, District: Nalgonda, Hyderabad – 508101. The Company is in the process of making an application. The Company is in the process of making an application.



## SECTION VIII- OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Issue

Our Board of Directors have vide resolution dated November 15, 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 with a shorter notice on November 16, 2017, in accordance with the provisions of Section 62 (1) (C) of the Companies Act, 2013.

The Company has obtained approval from NSE vide letter dated [●] to use the name of NSE in this Offer Document for listing of equity shares on the SME Platform of National Stock Exchange of India Limited i.e. NSE EMERGE. NSE is the designated stock exchange.

### Prohibition by SEBI, the RBI or Governmental Authorities

We confirm that there is no prohibition on our Company, its Directors, Promoter and entities forming part of our Promoter Group from accessing the capital market or operating in the capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

We further confirm that none of our Company, its Promoter, relatives of Promoter (as defined under Companies Act, 2013) its Directors and its Group Companies have been identified as wilful defaulters by the RBI or other authorities.

The listing of any securities of our Company has never been refused at any time by any of the stock exchanges in India.

### Association with Securities Market

We confirm that none of our Directors 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*”, “*Our Promoter, Promoter Group*”, “*Group Company*” and “*Outstanding Litigations and Material Developments*” beginning on page nos. 11, 127, 130 and 169 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 Issue” 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 National Stock Exchange of India Limited i.e. NSE EMERGE).

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. 46 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 shall be greater than or equal to fifty (50), otherwise, the entire application money will be unblocked forthwith. If such money is not repaid within eight (8) Working Days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight (8) Working Days, be liable to repay such application money, with an interest at the rate as prescribed under the Companies Act 2013. 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. 47 of this Draft Prospectus.
- e) Our Company has been incorporated under the Companies Act 1956, in India.
- f) The Net worth (excluding revaluation reserves) of our Company is positive as per the latest audited financial results and we have a positive cash accruals (earnings before depreciation and tax) from operations for atleast 2 financial years.
- g) Our Company has track record of atleast 3 years.
- h) Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR)
- i) Our Company has not been in defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the applicant, promoter/promoting company(ies), group companies, companies promoted by the promoter/promoting company(ies) during the past three years.
- j) There is no winding up petition against the company, which has been admitted by a Court of competent jurisdiction.
- k) There has been no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against our company.
- l) As on the date of this Draft Prospectus, our Company has a paid up capital of ₹ 301.44 lakhs (₹ 3.01 crores), which is in excess of ₹ 3 crore, and the Post Issue Capital shall also be in excess of ₹ 3.00 crore.
- 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.bankabio.com](http://www.bankabio.com)

We further confirm that we shall comply 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.

#### **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 DRAFT PROSPECTUS PERTAINING TO THE SAID ISSUE;
2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:
  - A. THE 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 PROMOTER HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTER CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTER CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD /TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING OF THE DRAFT 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 PROMOTER 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 PROMOTER 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 PROMOTER 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. ALL MONIES RECEIVED OUT OF THE ISSUE SHALL BE CREDITED/ TRANSFERRED TO A SEPARATE BANK ACCOUNT AS REFERRED TO IN SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013.
10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE 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, PROMOTER 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. PRSV & CO. LLP, CHARTERED ACCOUNTANTS (FIRM REGISTRATION NUMBER: S-200016) PURSUANT TO THEIR REPORT DATED NOVEMBER 16, 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, Directors and the Lead Manager**

Our Company, the Directors and the Lead Manager accept no responsibility for statements made otherwise than those contained in this Draft Prospectus or, in case of the Company, in any advertisements or any other material issued by or



at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk.

## **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 17, 2017, the Underwriting Agreement dated November 17, 2017 entered into among the Underwriter and our Company and the Market Making Agreement dated November 17, 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 offer 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 NSE Emerge Platform**

As required, a copy of this Draft Prospectus has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). The disclaimer clause as intimated by NSE to us, post scrutiny of this Draft Prospectus, shall be included in the Prospectus prior to RoC filing.

## **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 Regulation 106(O)(1). However, a copy of the Prospectus shall be filed with SEBI at Overseas Towers, 7<sup>th</sup> Floor, 756-L, Anna Salai, Chennai - 600 002.

A copy of the Prospectus, along with the documents required to be filed under Section 26 of the Companies Act, 2013 will be delivered to the RoC situated at 2<sup>nd</sup> Floor, Corporate Bhawan, GSI Post, Tattianaram Nagole, Bandlaguda, Hyderabad - 500 068.

### Listing

An application shall be made to SME Platform of National Stock Exchange of India Limited i.e. NSE EMERGE 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. NSE 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 NSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of the Draft Prospectus. The allotment letters shall be issued or application money shall be refunded / unblocked within eight 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 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 National Stock Exchange of India Limited i.e. NSE EMERGE mentioned above are taken within 6 Working Days of the Issue Closing Date.

The Company has obtained approval from NSE vide letter dated [●] to use the name of NSE in this Offer document for listing of equity shares on SME Platform of National Stock Exchange of India Limited i.e. NSE EMERGE.

### 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	Shreeji Translogistics Ltd	12.40	130	13/10/2017	156.00	2.69%	2.72%	N.A.	N.A.	N.A.	N.A.
2	AKM Lace & Embrotex Ltd	4.76	25	29/09/2017	25.50	-7.80%	5.99%	N.A.	N.A.	N.A.	N.A.
3	Geekay Wires Ltd	11.00	33	24/08/2017	33.35	0.76%	1.09%	N.A.	N.A.	N.A.	N.A.
4.	CKP Products Ltd	6.24	50	09/05/2017	50.00	2.00%	3.55%	0.90%	7.95%	0.50%	12.19%
5.	Octaware Technologies Ltd	8.60	90	03/04/2017	91.00	0.11%	-0.05%	0.83%	3.38%	8.89%	4.59%
6.	Prime Customer	7.28	60	31/03/2017	60.10	8.00%	1.01%	56.25%	4.18%	121.67%	5.20%



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	
	Services Ltd										
7.	Manas Properties Ltd	39.96	360	30/03/2017	360.55	0.83%	0.91%	1.11%	4.00%	1.00%	6.59%
8.	Maximus International Ltd	3.77	25	30/03/2017	23.00	1.20%	0.91%	0.20%	4.00%	1.39%	6.59%
9.	IFL Enterprises Ltd	3.25	20	21/03/2017	19.80	-25.05%	2.75%	-50.00%	6.19%	-50.00%	9.54%
10.	Tanvi Foods (India) Ltd	6.60	60	02/03/2017	65.00	0.83%	2.71%	3.17%	8.00%	12.08%	8.84%

### Summary Statement of Disclosure

Financial Year	Total no. of IPOs	Total Funds Raised (₹ in Cr.)	Nos. of IPOs trading at discount - 30 <sup>th</sup> calendar day from listing day			Nos. of IPOs trading at premium - 30 <sup>th</sup> calendar day from listing day			Nos. of IPOs trading at discount - 180 <sup>th</sup> calendar day from listing day			Nos. of IPOs trading at premium - 180 <sup>th</sup> calendar day from listing day		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2017-18	5 <sup>(1)</sup>	43.00	-	-	1	-	-	3	-	-	-	-	-	-
2016-17	10	147.26	-	1	-	1	-	8	-	1	-	2	3	4
2015-16	3	15.90	-	-	-	-	-	3	-	-	-	1	1	1

<sup>(1)</sup> Details indicated in 2017-18 are for the IPOs completed as on date.

### Notes:

- Since the listing date of Shreeji Translogistics Ltd, AKM Lace & Embrotex Ltd and Geekay Wires Ltd was October 13, 2017, September 29, 2017, and August 24, 2017 information related to the closing price and benchmark index as on 90<sup>th</sup> and 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) and BSE Sensex and NSE Nifty as the Benchmark Index.

### 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 and the Statutory Auditor; and (b) the Lead Manager, Registrar to the Issue, the Legal Advisors to the Issue, Banker to the Company, 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.*

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, M/s. PRSV & Co. LLP, Chartered Accountants, have provided their written consent to the inclusion of their reports dated November 16, 2017 on Restated Financial Statements and to the inclusion of their reports dated November 17, 2017 on Statement of Tax Benefits, which may be available to the Company and its shareholders, included in this Draft Prospectus in the form and context in which they appear therein and such consents and reports have not been withdrawn up to the time of filing of this Draft Prospectus.

## Expert Opinion

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

Our Company has received written consent from the Statutory Auditor namely, M/s. PRSV & Co. LLP, Chartered Accountants 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 reports on the Statement of Tax Benefits dated November 17, 2017, and on the Restated Financial Statements dated November 16, 2017 and issued by them, included in this Draft Prospectus and such consent has 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

Issue related expenses include underwriting and Issue management fees, selling commission, distribution expenses, market making charges, legal fees, fees to advisors, printing and stationery costs, advertising expenses, listing fees payable to the Stock Exchange, and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchange, including fees payable to Depositories is given below: Same as object of the Issue

The details of estimated Issue expenses are set forth below:

(₹ in lakhs)				
Sr. No.	Particulars	Amount (₹ in lakhs)	% of Total Expenses	% of Total Issue size
1	Issue Management fees including fees and reimbursements of Market Making fees (1 <sup>st</sup> year), and payment to other intermediaries such as Legal Advisors, Registrars and other out of pocket expenses.	[●]	[●]	[●]
2	Brokerage and Selling Commission, Underwriting Commission, RTAs and CDPs	[●]	[●]	[●]
3	Advertisement, Printing & Stationery, Marketing Expenses, etc.	[●]	[●]	[●]
4	Listing Fees, Market Regulatory & Other Expenses	[●]	[●]	[●]
<b>Total</b>		[●]	[●]	[●]

<sup>1)</sup> The SCSBs and other intermediaries will be entitled to a commission of ₹ [●] 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 ₹ [●] per Application Form, for processing the Application Forms procured by other intermediaries and submitted to the SCSBs.

<sup>3)</sup> Further the SCSBs and other intermediaries will be entitled to selling commission of [●]% 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>4)</sup> The payment towards commission and processing fees will be completed within 30 days from the date of receipt of final invoice from the respective entities.

### **Fees, Brokerage and Selling Commission Payable to the Lead Manager**

The total fees payable to the Lead Manager (including underwriting commission and selling commission) is as stated in the MOUs dated November 17, 2017, the Underwriting Agreement dated November 17, 2017 and the Market Making Agreement dated November 17, 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 16, 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.

### **CAPITAL ISSUE DURING THE LAST FIVE YEARS**

#### **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. 49 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**

None of our Group Companies / Subsidiaries / Associates that are listed on any Stock Exchange has made any Capital Issue in the last three (3) years.

#### **Promise v. Performance (Issuer and Listed Group Companies / Subsidiaries / Associates)**

Our Company has not made any rights and public issues in the past. None of our Group Companies / Associates is listed on any Stock Exchange and not made any rights and public issues in the past. Further, we do not have any subsidiary as on date of this Draft Prospectus

#### **Outstanding Debentures, Bonds, Redeemable Preference Shares and Other Instruments Issued by the Company**

The Company has no outstanding debentures or bonds. The Company has not issued any redeemable preference shares or other instruments in the past.

#### **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

The Company has appointed Bigshare Services 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. The 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. The Company would also be co-ordinating 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 by a resolution on November 16, 2017 constituted a Stakeholders Relationship Committee. The composition of the Stakeholders Relationship Committee is as follows:

Name of the Member	Nature of Directorship	Designation in Committee
Mr. Jayant Kumar	Non Executive Independent Director	Chairman
Mrs. Geeta Goti	Non Executive Independent Director	Member
Mr. Sanjay Banka	Whole Time Director	Member

For further details, please see the chapter titled "*Our Management*" beginning on page no. 114 of this Draft Prospectus.

The Company has also appointed Mr. Y. Sri Bala Aditya 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:

**Name:** Mr. Y. Sri Bala Aditya

**Address:** Plot no 11-4-651, A – 109, Express Apartment, Lakdi ka Pool, Hyderabad – 500 004

**Tel No:** +91 – 40 – 2980 1495

**Fax No:** +91- 40 - 6668 8028

**Email:** [investor.relations@bankabio.com](mailto:investor.relations@bankabio.com)

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

No company under the same management as the Company within the meaning of Section 370(1B) of the Companies Act, 1956 has made any public issue (including any rights issues to the public) during the last three years and hence there are no pending investor grievances.

### Change in Auditors

The details of change in the auditors of our company are given below:

Sr. No.	Date	From	To
1.	June 24, 2015	M/s. Usha Rani Challa, Chartered Accountants.	M/s. Jeetendra Kulkarni, Chartered Accountants.
2	August 25, 2017	M/s. Jeetendra Kulkarni, Chartered Accountants.	M/s. PRSV & Co. LLP, Chartered Accountants.

### Capitalisation of Reserves or Profits

Except as stated in the chapter titled “*Capital Structure*” beginning on page no. 49 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 since incorporation.

## **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 15, 2017 and was approved by the Shareholders of the Company by passing a Special Resolution at the Extra Ordinary General Meeting held with a shorter notice on November 16, 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 the section titled "Main Provisions of the Articles of Association" beginning on page no. 244 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 refer the chapter titled "Dividend Policy" and "Main Provisions of Article of Association" beginning on page nos. 132 and 244 of this Draft Prospectus.

#### **Face Value and Issue Price**

The Equity Shares having a face value of ₹ 10 each are being issued in terms of this Draft Prospectus at the price of ₹ [●] per Equity Share. The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the chapter titled "Basis for Issue Price" beginning on page no. 66 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;
- ✓ Right to receive offer for rights shares and be allotted bonus shares, if announced;
- ✓ Right to receive surplus on liquidation;
- ✓ Right of free transferability; and
- ✓ Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, 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 provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien and / or consolidation / splitting, etc., please see the section titled "*Main Provisions of Articles of Association*" beginning on page no. 244 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 signed among our Company, the respective Depositories and the Registrar and Share Transfer Agent to the Issue:

- 1) Tripartite agreement dated [●] between our Company, NSDL and the Registrar and Share Transfer Agent to the Issue.
- 2) Tripartite agreement dated [●] 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 [●] 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 NSE from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Share subject to a minimum allotment of [●] 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 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 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 IPO, our Company shall be required to file a fresh Draft Prospectus.

### 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 (except for the Issue Closing Date). 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 Draft 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.

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. 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.

### **Arrangements for Disposal of Odd Lots**

The trading of the Equity Shares will happen in the minimum contract size of [●] 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 National Stock Exchange of India Limited i.e. NSE EMERGE.

### **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 the section titled “*Main Provisions of Articles of Association*” beginning on page no. 244 of this Draft Prospectus.

### **New Financial Instruments**

The Issuer 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 of the NSE Emerge Platform.

### **Migration to Main Board**

In accordance with the NSE Circular dated March 10, 2014, our Company will have to be mandatorily listed and traded on the SME Platform of the NSE for a minimum period of two years from the date of listing and only after that it can migrate to the Main Board of the NSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter XB of the SEBI (ICDR) Regulations.

As per the provisions of the Chapter XB of the SEBI (ICDR) Regulation, 2009, our Company may migrate to the main board of NSE from the 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 promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), we shall have to apply to NSE for listing our shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.
- If the Paid up Capital of the company is more than ₹ 10 crores but below ₹ 25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

### **Market Making**

The shares issued through this Issue are proposed to be listed on the SME Platform of NSE, 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 of shares offered through this Draft Prospectus.

For further details of the agreement entered into between our Company, The Lead Manager and the Market Maker, please see the chapter titled *"General Information - Details of the Market Making Arrangement for this Issue"* beginning on page no. 47 of this Draft Prospectus.

### **Jurisdiction**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Mumbai. The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States, and may not be offered or sold within the United States, except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur. The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

## 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 National Stock Exchange of India Limited i.e. NSE EMERGE]. For further details regarding the salient features and terms of such this Issue, please see the chapters titled "Terms of the Issue" and "Issue Procedure" beginning on page nos. 190 and 197 respectively, of this Draft Prospectus.

Following is the issue structure:

*Public issue of up to 11,00,000 Equity Shares of ₹ [●] each (the "Equity Shares") for cash at a price of ₹ [●] per Equity Share (including a Share premium of ₹ [●] per Equity Share) aggregating to ₹ [●] lakhs ("the Issue") by Banka BioLoo Limited. ("BBL" or the "Company" or the "Issuer").*

*The Issue comprises a reservation of up to 58,000 Equity Shares of ₹ 10 each for subscription by the designated Market Maker ("the Market Maker Reservation Portion") and Net Issue to Public of up to 10,42,000 Equity Shares of ₹ 10 each ("the Net Issue"). The Issue and the Net Issue will constitute 26.74% and 25.33%, respectively of the post Issue paid up equity share capital of the 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	Up to 10,42,000 Equity Shares	Up to 58,000 Equity Shares
Percentage of Issue Size available for allocation	94.73% of the Issue Size	5.27% of the Issue Size
Basis of Allotment	Proportionate subject to minimum allotment of [●] Equity Shares and further allotment in multiples of [●] Equity Shares each.	Firm Allotment
Mode of Application	Through ASBA Process Only	Through ASBA Process Only
Minimum Application Size	<p><i>For QIB and NII:</i></p> <p>Such number of Equity Shares in multiples of [●] Equity Shares such that the Application Value exceeds ₹ 2,00,000.</p> <p><i>For Retail Individuals:</i></p> <p>[●] Equity Shares</p>	Up to 58,000 Equity Shares
Maximum Application Size	<p><i>For QIB and NII:</i></p> <p>Such number of Equity Shares in multiples of [●] Equity Shares such that the Application Size does not exceed up to 10,42,000 Equity Shares.</p> <p><i>For Retail Individuals:</i></p> <p>Such number of Equity Shares in multiples of [●] Equity Shares such that the Application Value does not exceed ₹ 2,00,000.</p>	Up to 58,000 Equity Shares
Mode of Allotment	Dematerialized Form	Dematerialized Form
Trading Lot	[●] Equity Shares	[●] Equity Shares, However the Market Maker may buy odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2009.
Terms of Payment	The entire Application Amount will be payable at the time of submission of the Application Form	
Application Lot Size	[●] Equity Share and in multiples of [●] Equity Shares thereafter	

**Note:**

- 1) 50 % of the Equity Share offered are reserved for allocation to Applicants below or equal to ₹ 2.00 lakhs and the balance for higher amount Applications.
- 2) In case of joint Applications, the Application Form should contain only the name of the First Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Applicant would be required in the Application Form and such First Applicant would be deemed to have signed on behalf of the joint holders.
- 3) Applicants will be required to confirm and will be deemed to have represented to our Company, the Lead Manager, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares in this Issue.
- 4) SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB.

**Lot Size**

SEBI vide circular CIR/MRD/DSA/06/2012 dated February 21, 2012 (the “Circular”) standardized the lot size for Initial Public Offer proposing to list on SME exchange/platform and for the secondary market trading on such exchange/platform, as under:

Issue Price(in ₹)	Lot Size (No. of shares)
Up to 14	10000
More than 14 up to 18	8000
More than 18 up to 25	6000
More than 25 up to 35	4000
More than 35 up to 50	3000
More than 50 up to 70	2000
More than 70 up to 90	1600
More than 90 up to 120	1200
More than 120 up to 150	1000
More than 150 up to 180	800
More than 180 up to 250	600
More than 250 up to 350	400
More than 350 up to 500	300
More than 500 up to 600	240
More than 600 up to 750	200
More than 750 up to 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 NSE shall ensure to finalize the basis of allotment in minimum lots and in multiples of minimum lot size, as per the above given table. The secondary market trading lot size shall be the same, as shall be the IPO Lot Size at the application/allotment stage, facilitating secondary market trading.

## 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 NSE Ltd to act as intermediaries for submitting Application Forms are provided on <http://www.nseindia.com>. For details on their designated branches for submitting Application Forms, please see the above mentioned NSE website*

*Pursuant to the SEBI (Issue of Capital and Disclosure Requirements) (Fifth Amendment) Regulations, 2015, the ASBA process become mandatory for all investors w.e.f. January 1, 2016 and it allows the registrar, share transfer agents, depository participants and stock brokers to accept application forms.*

## PART A

### FIXED PRICE 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 NSE ([www.nseindia.com](http://www.nseindia.com)), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the 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 and shall not submit it to any non-SCSB bank.

## 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 [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Amount payable by the Applicant does not exceed ₹ 2,00,000. In case of revision of 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 [●] 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 NSE ([www.nseindia.com](http://www.nseindia.com)), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the 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 NSE ([www.nseindia.com](http://www.nseindia.com)), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the 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 an FPI could only continue to buy, sell or otherwise deal in securities until January 6, 2015. Hence, such qualified foreign investors who have not registered as FPIs under the SEBI FPI Regulations shall not be eligible to participate in this 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 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

#### **Applications under Power of Attorney**

In case of Applications made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with a minimum corpus of ₹ 250 million (subject to applicable law) and pension funds with a minimum corpus of ₹ 250 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Application Form. Failing this, our Company 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 Draft 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 Draft Prospectus.**

#### **General Instructions**

##### **Do's:**

- 1) Check if you are eligible to apply as per the terms of this Prospectus and under applicable law, rules, regulations, guidelines and approvals;
- 2) Read all the instructions carefully and complete the Application Form in the prescribed form;
- 3) Ensure that the details about the PAN, DP ID and Client ID are correct and the Applicants depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
- 4) Ensure that your Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary;
- 5) If the first applicant is not the account holder, ensure that the Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Application Form;
- 6) Ensure that the signature of the First Applicant in case of joint Applications, is included in the Application Forms;
- 7) Ensure that the name(s) given in the Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Applications, the Application Form should contain only the name of the First Applicant whose name should also appear as the first holder of the beneficiary account held in joint names;
- 8) Ensure that you request for and receive a stamped acknowledgement of your Application;
- 9) Ensure that you have funds equal to the Application Amount in the ASBA Account maintained with the SCSB before submitting the Application Form under the ASBA process to the respective member of the SCSBs, the Registered Broker (at the Broker Centres), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);



- 10) Submit revised Applications to the same Designated Intermediary, through whom the original Application was placed and obtain a revised acknowledgment;
- 11) Except for Applications (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Applications by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Applicants should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
- 12) Ensure that the Demographic Details are updated, true and correct in all respects;
- 13) Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
- 14) Ensure that the category and the investor status is indicated;
- 15) Ensure that in case of Applications under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
- 16) Ensure that Applications submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
- 17) Applicants should note that in case the DP ID, Client ID and the PAN mentioned in their Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Applications are liable to be rejected. Where the Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Application Form;
- 18) Ensure that the Application Forms are delivered by the Applicants within the time prescribed as per the Application Form and the Prospectus;
- 19) Ensure that you have mentioned the correct ASBA Account number in the Application Form;
- 20) Ensure that you have correctly signed the authorisation/undertaking box in the Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form at the time of submission of the Application;
- 21) Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and
- 22) The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

**Don'ts:**

- 1) Do not apply for lower than the minimum Application size;
- 2) Do not apply at a Price different from the Price mentioned herein or in the Application Form;
- 3) Do not pay the Application Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
- 4) Do not send Application Forms by post; instead submit the same to the Designated Intermediary only;



- 5) Do not submit the Application Forms to any non-SCSB bank or our Company;
- 6) Do not apply on a Application Form that does not have the stamp of the relevant Designated Intermediary;
- 7) Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
- 8) Do not apply for a Application Amount exceeding ₹ 200,000 (for Applications by Retail Individual Applicants);
- 9) Do not fill up the Application Form such that the Equity Shares applied for exceeds the 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 a Application in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
- 14) Do not apply if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
- 15) Do not submit more than five Application Forms per ASBA Account;

The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

#### **Issuance of a Confirmation of Allocation Note (“CAN”) and Allotment in the 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 ₹ [●] 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 1, 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 up to 58,000 Equity Shares shall be reserved for the Market Maker. Up to 5,21,000 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, 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 17, 2017.
- b) For terms of the Underwriting Agreement please see chapter titled "*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.

## **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 is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period;

- 7) The certificates of the securities/refund orders to Eligible NRIs shall be dispatched within specified time;
- 8) No further 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;
- 9) Adequate arrangements shall be made to collect all Application Forms and
- 10) The certificates of the securities/refund orders to Eligible NRIs shall be dispatched within specified time.

#### **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.

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 Bid cum Application Form/Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the 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 Applicants) and not more than ten Working Days. Applicants are advised to refer to the Bid cum Application Form and Abridged Prospectus or Prospectus for details of the Bid/ Issue Period. Details of Bid/ Issue Period are also available on the website of the Stock Exchange(s).

In case of a Book Built Issue, the Issuer may close the Issue Period for QIBs one Working Day prior to the Bid/ 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 Bid/ 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.

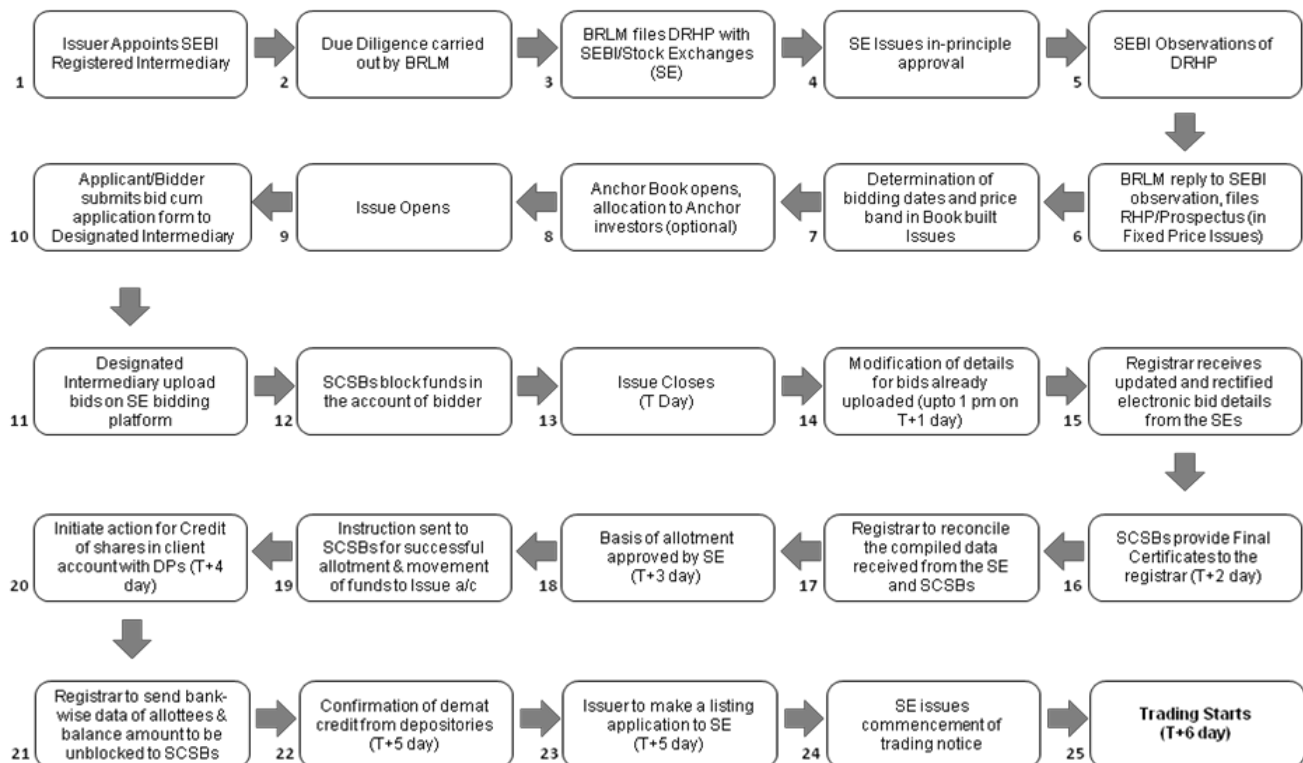
## **2.6 FLOWCHART OF TIMELINES**

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 Bid/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);
- Bids/Applications belonging to an account for the benefit of a minor (under guardianship);
- Hindu Undivided Families or HUFs, in the individual name of the *Karta*. The Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: “Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*”. Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals;
- Companies, corporate bodies and societies registered under applicable law in India and authorised to invest in equity shares;
- QIBs;
- NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable law;
- Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations, 2009 and other laws, as applicable);
- FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or foreign individual, bidding under the QIBs category;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals Bidding only under the Non Institutional Investors (“**NIIs**”) category;

- FPIs other than Category III foreign portfolio investors, Bidding under the QIBs category;
- FPIs which are Category III foreign portfolio investors, Bidding under the NIIs category;
- Trusts/societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares;
- Limited liability partnerships registered under the Limited Liability Partnership Act, 2008; and
- Any other person eligible to Bid/Apply in the Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws.
- As per the existing regulations, OCBs are not allowed to participate in an Issue.

#### SECTION 4: APPLYING IN THE ISSUE

**Book Built Issue:** Bidders should only use the specified ASBA Form (or in case of Anchor Investors, the Anchor Investor Application Form) either bearing the stamp of a member of the Syndicate or any other Designated Intermediary, as available or downloaded from the websites of the Stock Exchanges. Bid cum Application Forms are available with the Book Running Lead Managers, the Designated Intermediaries at the Bidding Centres and at the registered office of the Issuer. Electronic Bid cum Application Forms will be available on the websites of the Stock Exchanges at least one day prior to the Bid/ Issue Opening Date. For further details, regarding availability of Bid cum Application Forms, Bidders may refer to the 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 <sup>(1)</sup>
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents and Eligible NRIs, FIIs, FVCIs, etc. applying on a repatriation basis	Blue

<sup>(1)</sup> excluding electronic Application Form

Securities issued in an IPO can only be in dematerialized form in accordance with Section 29 of the Companies Act, 2013. 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 Bid cum Application Form/Application Form are liable to be rejected.

Instructions to fill each field of the Bid cum Application Form can be found on the reverse side of the Bid cum Application Form. Specific instructions for filling various fields of the Bid cum Application Form and sample are provided below.

A sample Bid cum Application Form is reproduced below:

TEAR HERE

<b>COMMON BID CUM APPLICATION FORM</b>	<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - R</b>	<b>FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRI, APPLYING ON A NON-REPATRIATION BASIS</b>
Address : ..... Contact Details: ..... CIN No .....		

<b>LOGO</b> TO, THE BOARD OF DIRECTORS XYZ LIMITED	<b>BOOK BUILT ISSUE</b> ISIN : .....	Bid cum Application Form No. <span style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></span>
---	---	--

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER
		Mr. / Ms. <span style="border-bottom: 1px solid black; display: inline-block; width: 150px;"></span>
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	ESCROW BANK/SCSB BRANCH STAMP & CODE	Address <span style="border-bottom: 1px solid black; display: inline-block; width: 150px;"></span>
		Email <span style="border-bottom: 1px solid black; display: inline-block; width: 150px;"></span>
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.	Tel. No (with STD code) / Mobile <span style="border-bottom: 1px solid black; display: inline-block; width: 150px;"></span>
		2. PAN OF SOLE / FIRST BIDDER <span style="border-bottom: 1px solid black; display: inline-block; width: 150px;"></span>

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL		6. INVESTOR STATUS <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 - MF <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																															
For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID																																	
4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")																																	
<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th rowspan="2">Bid Options</th> <th rowspan="2">No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)</th> <th colspan="4">Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)</th> <th rowspan="2">"Cut-off" (Please tick)</th> </tr> <tr> <th>Bid Price</th> <th>Retail Discount</th> <th>Net Price</th> <th></th> </tr> <tr> <td>Option 1</td> <td><span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span></td> <td><span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span></td> <td><span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span></td> <td><span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span></td> <td><span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span></td> <td><input type="checkbox"/></td> </tr> <tr> <td>(OR) Option 2</td> <td><span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span></td> <td><span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span></td> <td><span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span></td> <td><span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span></td> <td><span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span></td> <td><input type="checkbox"/></td> </tr> <tr> <td>(OR) Option 3</td> <td><span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span></td> <td><span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span></td> <td><span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span></td> <td><span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span></td> <td><span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span></td> <td><input type="checkbox"/></td> </tr> </table>			Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)				"Cut-off" (Please tick)	Bid Price	Retail Discount	Net Price		Option 1	<span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span>	<span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span>	<span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span>	<span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span>	<span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span>	<input type="checkbox"/>	(OR) Option 2	<span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span>	<span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span>	<span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span>	<span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span>	<span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span>	<input type="checkbox"/>	(OR) Option 3	<span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span>	<span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span>	<span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span>	<span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span>	<span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span>
Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)				"Cut-off" (Please tick)																											
		Bid Price	Retail Discount	Net Price																													
Option 1	<span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span>	<span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span>	<span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span>	<span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span>	<span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span>	<input type="checkbox"/>																											
(OR) Option 2	<span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span>	<span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span>	<span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span>	<span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span>	<span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span>	<input type="checkbox"/>																											
(OR) Option 3	<span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span>	<span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span>	<span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span>	<span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span>	<span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span>	<input type="checkbox"/>																											

7. PAYMENT DETAILS		PAYMENT OPTION : FULL PAYMENT <input type="checkbox"/> PART PAYMENT <input type="checkbox"/>
Amount paid (₹ in figures) <span style="border-bottom: 1px solid black; display: inline-block; width: 100px;"></span> (₹ in words) <span style="border-bottom: 1px solid black; display: inline-block; width: 150px;"></span>		
ASBA Bank A/c No. <span style="border-bottom: 1px solid black; display: inline-block; width: 150px;"></span>		
Bank Name & Branch <span style="border-bottom: 1px solid black; display: inline-block; width: 150px;"></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 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.

8A. SIGNATURE OF SOLE/ FIRST BIDDER	8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) I/We authorize the SCSB to do all acts as are necessary to make the Application in the line	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
Date : <span style="border-bottom: 1px solid black; display: inline-block; width: 100px;"></span>	1) <span style="border-bottom: 1px solid black; display: inline-block; width: 150px;"></span> 2) <span style="border-bottom: 1px solid black; display: inline-block; width: 150px;"></span> 3) <span style="border-bottom: 1px solid black; display: inline-block; width: 150px;"></span>	

PLEASE FILL IN BLOCK LETTERS

TEAR HERE

<b>LOGO</b> XYZ LIMITED INITIAL PUBLIC ISSUE - R	Acknowledgement Slip for Broker/SCSB/ DP/RTA	Bid cum Application Form No. <span style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></span>
--	--	--

DPID / CLID	<span style="border-bottom: 1px solid black; display: inline-block; width: 150px;"></span>	PAN of Sole / First Bidder <span style="border-bottom: 1px solid black; display: inline-block; width: 100px;"></span>
-------------	--	---

Amount paid (₹ in figures) <span style="border-bottom: 1px solid black; display: inline-block; width: 100px;"></span>	Bank & Branch <span style="border-bottom: 1px solid black; display: inline-block; width: 100px;"></span>	Stamp & Signature of SCSB Branch
ASBA Bank A/c No. <span style="border-bottom: 1px solid black; display: inline-block; width: 150px;"></span>		
Received from Mr./Ms. <span style="border-bottom: 1px solid black; display: inline-block; width: 150px;"></span>		
Telephone / Mobile <span style="border-bottom: 1px solid black; display: inline-block; width: 100px;"></span>	Email <span style="border-bottom: 1px solid black; display: inline-block; width: 100px;"></span>	

TEAR HERE

XYZ LIMITED - INITIAL PUBLIC ISSUE - R	<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><span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span></td> <td><span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span></td> <td><span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span></td> </tr> <tr> <td>Bid Price</td> <td><span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span></td> <td><span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span></td> <td><span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span></td> </tr> <tr> <td>Amount Paid (₹)</td> <td><span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span></td> <td><span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span></td> <td><span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span></td> </tr> <tr> <td>ASBA Bank A/c No.</td> <td colspan="3"><span style="border-bottom: 1px solid black; display: inline-block; width: 150px;"></span></td> </tr> <tr> <td>Bank &amp; Branch</td> <td colspan="3"><span style="border-bottom: 1px solid black; display: inline-block; width: 150px;"></span></td> </tr> </table>		Option 1	Option 2	Option 3	No. of Equity Shares	<span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span>	<span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span>	<span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span>	Bid Price	<span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span>	<span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span>	<span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span>	Amount Paid (₹)	<span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span>	<span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span>	<span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span>	ASBA Bank A/c No.	<span style="border-bottom: 1px solid black; display: inline-block; width: 150px;"></span>			Bank & Branch	<span style="border-bottom: 1px solid black; display: inline-block; width: 150px;"></span>			Stamp & Signature of Broker / SCSB / DP / RTA Name of Sole / First Bidder <span style="border-bottom: 1px solid black; display: inline-block; width: 150px;"></span> Acknowledgement Slip for Bidder Bid cum Application Form No. <span style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></span>
	Option 1	Option 2	Option 3																							
No. of Equity Shares	<span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span>	<span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span>	<span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span>																							
Bid Price	<span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span>	<span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span>	<span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span>																							
Amount Paid (₹)	<span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span>	<span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span>	<span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span>																							
ASBA Bank A/c No.	<span style="border-bottom: 1px solid black; display: inline-block; width: 150px;"></span>																									
Bank & Branch	<span style="border-bottom: 1px solid black; display: inline-block; width: 150px;"></span>																									

TEAR HERE

#### 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 Bid cum Application Form/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 Bid cum Application Form/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 Bid cum Application Form/Application Form should be exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held as per the Depositories' records.
- b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Bids/Applications on behalf of the Central or State Government, Bids/Applications by officials appointed by the courts and Bids/Applications by Applicants residing in Sikkim (“PAN Exempted Applicants”). Consequently, all Applicants, other than the PAN Exempted Applicants, are required to disclose their PAN in the Bid cum Application Form/Application Form, irrespective of the Bid/Application Amount. Bids/Applications by the 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 Bid cum Application Form/Application Form. The DP ID and Client ID provided in the Bid cum Application Form/Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Bid cum Application Form/Application Form is liable to be rejected.**
- b) Applicants should ensure that the beneficiary account provided in the Bid cum Application Form/Application Form is active.
- c) Applicants should note that on the basis of the DP ID and Client ID as provided in the Bid cum Application Form/Application Form, the 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 Bid/ Issue Opening Date in case of an IPO, and at least one Working Day before Bid/ Issue Opening Date in case of an FPO.
- b) The Bidders may Bid at or above Floor Price or within the Price Band for IPOs/FPOs undertaken through the Book Building Process. In the case of Alternate Book Building Process for an FPO, the Bidders may Bid at Floor Price or any price above the Floor Price (For further details Bidders may refer to (Section 5.6 (e))
- c) **Cut-Off Price:** Retail Individual Investors or Employees or Retail Individual Shareholders can Bid at the Cut-off Price indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.
- d) **Minimum Application Value and Bid Lot:** The Issuer in consultation with the 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 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 ₹ 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 ₹ 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.

#### **4.1.6 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 Bid/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.
- e) Anchor Investors are advised to provide the number of the Anchor Investor Application Form and PAN on the reverse of the cheque or bank draft to avoid any possible misuse of instruments submitted.

##### **4.1.7.2 Payment instructions for Bidders (other than Anchor Investors)**

- a) Bidders may submit the Bid cum Application Form either
  - 1) in physical mode to the Designated Branch of an SCSB where the 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 Bid cum Application Form/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 Bids/Applications made in the Issue should be addressed as under:
  - 1) In case of queries related to Allotment, non-receipt of Allotment Advice, credit of Allotted Equity shares, refund orders, the 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 Bid/ 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 Bid/ Issue Close Date.
- c) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form.
- d) The Applicant can make this revision any number of times during the Bid/ 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>
---------------------------------	---	--

LOGO TO,  
THE BOARD OF DIRECTORS  
XYZ LIMITED

BOOK BUILT ISSUE

ISIN : .....

Bid cum  
Application  
Form No. \_\_\_\_\_

<b>SYNDICATE MEMBER'S STAMP &amp; CODE</b>	<b>BROKER/SCSB/DP/RTA STAMP &amp; CODE</b>	<b>1. NAME &amp; CONTACT DETAILS OF SOLE / FIRST BIDDER</b> Mr. / Ms. _____ Address _____ Tel. No (with STD code) / Mobile _____ Email _____
<b>SUB-BROKER'S / SUB-AGENT'S STAMP &amp; CODE</b>	<b>ESCROW BANK/SCSB BRANCH STAMP &amp; CODE</b>	<b>2. PAN OF SOLE / FIRST BIDDER</b> _____
<b>BANK BRANCH SERIAL NO.</b>	<b>SCSB SERIAL NO.</b>	<b>3. BIDDER'S DEPOSITORY ACCOUNT DETAILS</b> NSDL <input type="checkbox"/> CDSL <input type="checkbox"/> For NSDL, enter 8 digit DP ID followed by 8 digit Client ID / For CDSL, enter 16 digit Client ID

**PLEASE CHANGE MY BID**

4. FROM (AS PER LAST BID OR REVISION)												
Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (In Figures)								Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			
	8	7	6	5	4	3	2	1	Bid Price	Retail Discount	Net Price	"Cut-off" (Please ✓/tick)
Option 1												<input type="checkbox"/>
(OR) Option 2												<input type="checkbox"/>
(OR) Option 3												<input type="checkbox"/>

5. TO (Revised Bid) (Only Retail Individual Bidders can Bid at "Cut-off")												
Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (In Figures)								Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			
	8	7	6	5	4	3	2	1	Bid Price	Retail Discount	Net Price	"Cut-off" (Please ✓/tick)
Option 1												<input type="checkbox"/>
(OR) Option 2												<input type="checkbox"/>
(OR) Option 3												<input type="checkbox"/>

6. PAYMENT DETAILS										PAYMENT OPTION : FULL PAYMENT <input type="checkbox"/> PART PAYMENT <input type="checkbox"/>	
Additional Amount Paid (₹ in figures) _____ (₹ in words) _____											
ASBA Bank A/c No. _____											
Bank Name & Branch _____											

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID REVISION FORM AND THE ATTACHED 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.

<b>7A. SIGNATURE OF SOLE / FIRST BIDDER</b> Date : _____	<b>7B. 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 line: 1) _____ 2) _____ 3) _____	<b>BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)</b>
---	---	--

TEAR HERE

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. _____
------	--	---	--

DPID / CLID	PAN of Sole / First Bidder										
Additional Amount Paid (₹)										Bank & Branch	Stamp & Signature of SCSB Branch
ASBA Bank A/c No.											
Received from Mr./Ms. _____											
Telephone / Mobile										Email	

TEAR HERE

<b>XYZ LIMITED - BID REVISION FORM - INITIAL PUBLIC ISSUE - R</b>		Option 1	Option 2	Option 3	Stamp & Signature of Broker / SCSB / DP / RTA	Name of Sole / First Bidder
	No. of Equity Shares					
	Bid Price					
	Additional Amount Paid (₹)					
	ASBA Bank A/c No.					
	Bank & Branch				<b>Acknowledgement Slip for Bidder</b>	Bid cum Application Form No. _____

Instructions to fill each field of the Revision Form can be found on the reverse side of the Revision Form. Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:



#### **4.2.1 FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT**

Bidders/Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3. 4.2.2

#### **FIELD 4 & 5: BID OPTIONS REVISION 'FROM' AND 'TO'**

- a) Apart from mentioning the revised options in the Revision Form, the 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

Bidders/Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

#### 4.3 INSTRUCTIONS FOR FILING APPLICATION FORM IN ISSUES MADE OTHER THAN THROUGH THE BOOK BUILDING PROCESS (FIXED PRICE ISSUE)

##### 4.3.1 FIELDS 1, 2, 3 NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

##### 4.3.2 FIELD 4: PRICE, APPLICATION QUANTITY & AMOUNT

- a) The Issuer may mention Price or Price Band in the Prospectus. However a Prospectus registered with RoC contains one price or coupon rate (as applicable).
- b) **Minimum Application Value and Bid Lot:** The Issuer in consultation with the Lead Manager to the Issue (LM) may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹ 10,000 to ₹ 15,000. The minimum Lot size is accordingly determined by an Issuer on basis of such minimum application value.
- c) Applications by RIIs, Employees and Retail Individual Shareholders, must be for such number of shares so as to ensure that the application amount payable does not exceed ₹ 200,000.
- d) Applications by other investors must be for such minimum number of shares such that the application amount exceeds ₹ 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the application form and the Prospectus, or as advertised by the Issuer, as the case may be.
- e) An application cannot be submitted for more than the Issue size.
- f) The maximum application by any Applicant should not exceed the investment limits prescribed for them under the applicable laws.
- g) **Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or other SCSB and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.
- h) Applicants are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple applications:
  - 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 Bidders/Applicants may submit completed Bid cum application form/Revision Form in the following manner:-

Mode of Application	Submission of Bid cum Application Form
Anchor Investors Application Form	<ul style="list-style-type: none"> <li>To the Book Running Lead Managers at the Specified Locations mentioned in the Bid cum Application Form</li> </ul>
All Applications (other than Anchor Investors)	<ul style="list-style-type: none"> <li>To members of the Syndicate in the Specified Locations or Registered Brokers at the Broker Centres or the RTA at the Designated RTA Location or the DP at the Designated DP Location</li> <li>To the Designated Branches of the SCSBs where the ASBA Account is maintained</li> </ul>

- a) 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 Prospectus 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 Applicant.
- c) Upon determination of the Issue Price and filing of the Prospectus with the RoC, the Bid cum Application Form will be considered as the application form.

## **SECTION 5: ISSUE PROCEDURE IN BOOK BUILT ISSUE**

Book Building, in the context of the Issue, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Issue Price based on the Bids received as detailed in Schedule XI of SEBI ICDR Regulations, 2009. The Issue Price is finalised after the Bid/ Issue Closing Date. Valid Bids received at or above the Issue Price are considered for allocation in the Issue, subject to applicable regulations and other terms and conditions.

### **5.1 SUBMISSION OF BIDS**

- a) During the Bid/ Issue Period, 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 Bid/ Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges.
- c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 pm on the day following the Bid/ Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/ Issue Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

### **5.3 BUILD UP OF THE BOOK**

- a) Bids received from various Applicants through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchanges' on a regular basis. The book gets built up at various price levels. This information may be available with the BRLMs at the end of the Bid/ Issue Period.
- b) Based on the aggregate demand and price for Bids registered on the Stock Exchanges Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchanges may be made available at the Bidding centres during the Bid/ Issue Period.

### **5.4 WITHDRAWAL OF BIDS**

- a) RIIs can withdraw their Bids until Bid/ Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid/ Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

## 5.5 REJECTION & RESPONSIBILITY FOR UPLOAD OF BIDS

- a) The Designated Intermediaries are individually responsible for the acts, mistakes or errors or omission in relation to:
  - 1) the Bids accepted by the Designated Intermediaries,
  - 2) the Bids uploaded by the Designated Intermediaries, and
  - 3) the Bid cum application forms accepted but not uploaded by the Designated Intermediaries.
- b) The BRLMs and their affiliate Syndicate Members, as the case may be, may reject Bids if all the information required is not provided and the Bid cum Application Form is incomplete in any respect.
- c) The SCSBs shall have no right to reject Bids, except in case of unavailability of adequate funds in the ASBA account or on technical grounds.
- d) In case of QIB Bidders, only the (i) SCSBs (for Bids other than the Bids by Anchor Investors); and (ii) BRLMs and their affiliate Syndicate Members (only in the Specified Locations) have the right to reject bids. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing.
- e) All bids by QIBs, NIIs & RIIs Bids can be rejected on technical grounds listed herein.

### 5.5.1 GROUNDS FOR TECHNICAL REJECTIONS

Bid cum Application Forms/Application Form can be rejected on the below mentioned technical grounds either at the time of their submission to any of the Designated Intermediaries, or at the time of finalisation of the Basis of Allotment. Bidders/Applicants are advised to note that the Bids/Applications are liable to be rejected, inter-alia, on the following grounds, which have been detailed at various places in this GID:-

- a) Bid/Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);
- b) Bids/Applications by OCBs; and
- c) In case of partnership firms, Bid/Application for Equity Shares made in the name of the firm. However, a limited liability partnership can apply in its own name;
- d) In case of Bids/Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents not being submitted along with the Bid cum application form/Application Form;
- e) Bids/Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- f) Bids/Applications by persons in the United States excluding persons who are a U.S. QIB (as defined in the Prospectus);
- g) Bids/Applications by any person outside India if not in compliance with applicable foreign and Indian laws;
- h) PAN not mentioned in the Bid cum Application Form/Application Form, except for Bids/Applications by or on behalf of the Central or State Government and officials appointed by the court and by the investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participant;
- i) In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;
- j) Bids/Applications for lower number of Equity Shares than the minimum specified for that category of investors;
- k) Bids/Applications at a price less than the Floor Price and Bids/Applications at a price more than the Cap Price;

- l) Bids/Applications at Cut-off Price by NIIs and QIBs;
- m) The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- n) Bids/Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- o) Submission of more than five Bid cum Application Forms/Application Form as through a single ASBA Account;
- p) Bids/Applications for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the Prospectus;
- q) Multiple Bids/Applications as defined in this GID and the Prospectus;
- r) Bid cum Application Forms/Application Forms are not delivered by the Bidders/Applicants within the time prescribed as per the Bid cum Application Forms/Application Form, Bid/ Issue Opening Date advertisement and as per the instructions in the Prospectus and the Bid cum Application Forms;
- s) Inadequate funds in the bank account to block the Bid/Application Amount specified in the Bid cum Application Form/Application Form at the time of blocking such Bid/Application Amount in the bank account;
- t) In case of Anchor Investors, Bids/Applications where sufficient funds are not available in Escrow Accounts as per final certificate from the Escrow Collection Banks;
- u) Where no confirmation is received from SCSB for blocking of funds;
- v) Bids/Applications by Bidders (other than Anchor Investors) not submitted through ASBA process;
- w) Bids/Applications submitted to a BRLM at locations other than the Specified Cities and Bid cum Application Forms/Application Forms, under the ASBA process, submitted to the Escrow Collecting Banks (assuming that such bank is not a SCSB where the ASBA Account is maintained), to the issuer or the Registrar to the Issue;
- x) Bids/Applications not uploaded on the terminals of the Stock Exchanges; and
- y) Bids/Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form..

## 5.6 BASIS OF ALLOCATION

- a) The SEBI ICDR Regulations, 2009 specify the allocation or Allotment that may be made to various categories of 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 spillover 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, i.e., ₹ 22.00 in the above example. The Issuer in consultation with the BRLMs, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this 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 Bid/ Issue Opening Date. QIBs may Bid at a price higher than the Floor Price and the Allotment to the QIBs is made on a price priority basis. The Bidder with the highest Bid Amount is allotted the number of Equity Shares Bid for and then the second highest Bidder is Allotted Equity Shares and this process continues until all the Equity Shares have been allotted. RIIs, NIIs and Employees are Allotted Equity Shares at the Floor Price and Allotment to these categories of Bidders is made proportionately. If the number of Equity Shares Bid for at a price is more than available quantity then the Allotment may be done on a proportionate basis. Further, the Issuer may place a cap either in terms of number of specified securities or percentage of issued capital of the Issuer that may be Allotted to a single Bidder, decide whether a Bidder be allowed to revise the bid upwards or downwards in terms of price and/or quantity and also decide whether a Bidder be allowed single or multiple bids.

### **SECTION 6: ISSUE PROCEDURE IN FIXED PRICE ISSUE**

**Applicants may note that there is no Bid cum Application Form in a Fixed Price Issue.** As the Issue Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the Application Form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through the Designated Intermediary.

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 GID.

### **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;

In the second instance, Allotment to all QIBs may be determined as follows: (i) In the event of oversubscription in the QIB Category, all QIBs who have submitted Bids above the Issue Price may be Allotted Equity Shares on a proportionate basis for up to 95% of the QIB Category; (ii) Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIBs; and (iii) Under-subscription below 5% of the QIB Category, if any, from Mutual Funds, may be included for allocation to the remaining QIBs on a proportionate basis.

## 7.4 ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)

- a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Issue Price will be at the discretion of the issuer in consultation with the Investor and the BRLMs, subject to compliance with the following requirements:
  - 1) not more than 60% of the QIB Category will be allocated to Anchor Investors;



- 2) one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
- 3) allocation to Anchor Investors shall be on a discretionary basis and subject to:
  - a maximum number of two Anchor Investors for allocation up to ₹ 10 crores;
  - a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 10 crores and up to ₹ 250 crores subject to minimum Allotment of ₹ 5 crores per such Anchor Investor; and
  - a minimum number of five Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 250 crores, and an additional 10 Anchor Investors for every additional ₹ 250 crores or part thereof, subject to minimum Allotment of ₹ 5 crores per such Anchor Investor.
- b) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the issuer in consultation with the BRLMs, selected Anchor Investors will be sent a CAN and if required, a revised CAN.
- c) **In the event that the Issue Price is higher than the Anchor Investor Issue Price:** Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Issue Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors.
- d) **In the event the Issue Price is lower than the Anchor Investor Issue Price:** Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

#### **7.5 BASIS OF ALLOTMENT FOR QIBs (OTHER THAN ANCHOR INVESTORS), NIIs AND RESERVED CATEGORY IN CASE OF OVER-SUBSCRIBED ISSUE**

In the event of the Issue being over-subscribed, the Issuer may finalise the Basis of Allotment in consultation with the Designated Stock Exchange in accordance with the SEBI ICDR Regulations, 2009.

The allocation may be made in marketable lots, on a proportionate basis as explained below:

- a) Bidders may be categorized according to the number of Equity Shares applied for;
- b) The total number of Equity Shares to be Allotted to each category as a whole may be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio;
- c) The number of Equity Shares to be Allotted to the successful Bidders may be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio;
- d) In all Bids where the proportionate Allotment is less than the minimum Bid Lot decided per Bidder, the Allotment may be made as follows: the successful Bidders out of the total Bidders for a category may be determined by a draw of lots in a manner such that the total number of Equity Shares Allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above; and each successful Bidder may be Allotted a minimum of such Equity Shares equal to the minimum Bid Lot finalised by the Issuer;
- e) If the proportionate Allotment to a Bidder is a number that is more than the minimum Bid lot but is not a multiple of one (which is the marketable lot), the decimal may be rounded off to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5 it may be rounded off to the lower whole number. Allotment to all Bidders in such categories may be arrived at after such rounding off; and
- f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares Allotted to the Bidders in that category, the remaining Equity Shares available for Allotment may be first adjusted against any

other category, where the Allotted Equity Shares are not sufficient for proportionate Allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment may be added to the category comprising Bidders applying for minimum number of Equity Shares.

## **7.6 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES**

- a) Designated Date: On the Designated Date, the Escrow Collection Banks shall transfer the funds represented by allocation of Equity Shares to Anchor Investors from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Bankers to the Issue. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the Bidders applying in the Anchor Investor Portion shall be made from the Refund Account as per the terms of the Escrow Agreement and the 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. Applicants are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue. Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Issue.
- c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.
- d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) credit of shares to the successful Applicants Depository Account will be completed within six Working Days of the Bid/ Issue Closing Date. The Issuer also ensures the credit of shares to the successful Applicant's depository account is completed within two Working Days from the date of Allotment.

## **SECTION 8: INTEREST AND REFUNDS**

### **8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING**

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within six Working Days of the Bid/ Issue Closing Date. The Registrar to the Issue may give instructions for credit to Equity Shares the beneficiary account with CDPs, and dispatch the Allotment Advice within six Working Days of the Bid/ Issue Closing Date

### **8.2 GROUNDS FOR REFUND**

#### **8.2.1 NON RECEIPT OF LISTING PERMISSION**

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in 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 Bid/ 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 Bids/Applications (other than Anchor Investors):** Within six Working Days of the Bid/ Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Bid/Application and also for any excess amount blocked on Bidding/Application.
- b) **In case of Anchor Investors:** Within six Working Days of the Bid/ Issue Closing Date, the Registrar to the Issue may dispatch the refund orders for all amounts payable to unsuccessful Anchor Investors.
- c) In case of Anchor Investors, the Registrar to the Issue may obtain from the depositories, the 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 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 Bid/ Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 15 days from the Bid/ Issue Closing Date, if Allotment is not made.

#### SECTION 9: GLOSSARY AND ABBREVIATIONS

*Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.*

Term	Description
Allotment/Allot/Allotted	The allotment of Equity Shares pursuant to the Issue to successful 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 and the 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 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 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

Term	Description
	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. Applicants may refer to the Prospectus for the Bid/ Issue Closing Date
Bid/ Issue Opening Date	The date on which the Designated Intermediaries may start accepting Bids for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants may refer to the 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 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 ICDR Regulations, 2009. Applicants may refer to the Prospectus for the 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
Applicant	Any prospective investor who makes a Bid pursuant to the terms of the 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 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



Term	Description
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 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 Applicants in the Fresh Issue may give delivery instructions for the transfer of the Equity Shares constituting the Offer for Sale
Designated Intermediaries / Collecting Agent	Syndicate Members, Sub-Syndicate/Agents, SCSBs, Registered Brokers, Brokers, the CDPs and RTAs, who are authorized to collect Bid cum Application Forms from the Bidders, in relation to the 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 ( <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a> )
Designated Stock Exchange	The designated stock exchange as disclosed in the 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

Term	Description
	promoter and immediate relatives of the promoter. For further details, Applicant may refer to the Draft 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 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
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 Prospectus and Bid cum Application Form
NEFT	National Electronic Fund Transfer
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an Issue or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
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 L 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



Term	Description
	allocation to NIIs on a proportionate basis and as disclosed in the 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
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 or QIBs	As defined under SEBI ICDR Regulations, 2009
RTGS	Real Time Gross Settlement
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 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 Prospectus and Bid cum Application Form
Reserved Category / Categories	Categories of persons eligible for making application/Bidding under

Term	Description
	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 L 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 L 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 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 Prospectus
Underwriters	The Book Running Lead Manager(s) and the Syndicate Member(s)
Underwriting Agreement	The agreement amongst the Issuer, and the Underwriters to be entered into on or after the Pricing Date
Working Day	Any day, other than 2nd and 4th Saturday of the month, Sundays or public holidays, on which commercial banks in Mumbai are open for business, provided however, with reference to (a) announcement of Price Band; and (b) Bid/ Issue Period, "Working Days" shall mean all days, excluding Saturdays, Sundays and public holidays, which are working days for commercial banks in India.

## **RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES**

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are FIPB and the RBI.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“DIPP”), issued consolidated FDI Policy, which with effect from June 07, 2016 consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on June 7, 2016. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, the Consolidation FDI Policy will be valid until the DIPP issues an updated circular.

The transfer of shares by an Indian resident to a Non-Resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the Consolidated FDI Policy and transfer does not attract the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI/RBI.

As per the existing policy of the Government of India, OCBs cannot participate in this 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 this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them.**

## SECTION X – MAIN PROVISIONS OF ARTICLES 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 November 13, 2017.*

### **Public Company**

3. The company is a Public Company within the meaning of section 2(71) of the Companies Act, 2013.

### **Share capital and variation of rights**

4. (i) The Authorised Share Capital of the Company shall be as laid down in Memorandum of Association of the Company.
- (ii) Subject to the provisions of the Companies Act 2013 and the applicable Rules made there under, the Company / Board shall have power to issue / allot shares, whether on preferential basis or otherwise, from time to time and the shares shall be under the control of the Directors who may allot or otherwise dispose off the same to such persons, on such terms and conditions and at such times as the Directors think fit.
5. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided:—
- (a) one certificate for all his shares without payment of any charges; or
- b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.
- (ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
- (iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
6. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.
- (ii) The company may issue new share certificates pursuant to consolidation or sub-division of share certificate(s) upon written request received from shareholder together with production and surrender of respective original share certificate(s). Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.
- (iii) The provisions of Articles (5) and (6) shall mutatis mutandis apply to debentures of the company.
7. 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.

8. (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made there under.  
  
(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.  
  
(iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
9. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48 and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.  
  
(ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.
10. 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.
11. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

#### ***Lien***

12. (i) The company shall have a first and paramount lien—
  - (a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
  - (b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

- (ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.
  - (iii) The 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 monies called or payable at a fixed time in respect of such shares.
13. 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.
  14. (i) 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.
- 15. (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
- (ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

### ***Calls on shares***

- 16. (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

- (ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.
- (iii) A call may be revoked or postponed at the discretion of the Board.
- (iv) The option or right to make call on shares shall not be given to any person except with the sanction of the Company in General Meetings. That is, it may delegate power to make calls on shares subject to approval of the shareholders in a general meeting of the company.
- 17. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by instalments.
- 18. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
- 19. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.
- (ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.
- 20. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
- (ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
- 21. The Board—
  - (a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
  - (b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent. per annum, as may be agreed upon between the Board and the member paying the sum in advance but shall not confer a right to dividend or to participate in profits.



### *Transfer of shares*

22. (i) The Company shall use a Common form of transfer. The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.  
  
(ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
23. The Board may, subject to the right of appeal conferred by section 58 decline to register—
  - (a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
  - (b) any transfer of shares on which the company has a lien.
24. The Board may decline to recognise any instrument of transfer unless—
  - (a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;
  - (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
  - (c) the instrument of transfer is in respect of only one class of shares.
25. On giving not less than seven days' previous notice in accordance with section 91 and rules made there under, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:  
  
Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.
26. Subject to the provisions of Section 59 of Companies Act, 2013, the Board may decline to register any transfer of Shares on such grounds as it think fit in the benefit of the company (notwithstanding that the proposed transferee be already a Member), but in such case it shall, within two (2) months from the date the instrument of transfer was lodged with the Company, send to the transferee and the transferor notice of the refusal to register such transfer giving reasons for such refusal. Provided that registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.

### *Transmission of Shares*

27. (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares.  
  
(ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
28. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—
  - (a) to be registered himself as holder of the share; or
  - (b) to make such transfer of the share as the deceased or insolvent member could have made.  
(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.



29. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.
- (ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- (iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

30. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

#### ***Forfeiture of Shares***

31. If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.
32. The notice aforesaid shall—
- (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
- (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
33. 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.
34. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
- (ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
35. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.
- (ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.
36. (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.
- (ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of.

(iii) The transferee shall thereupon be registered as the holder of the share

(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

37. The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

### *Alteration of Capital*

38. 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. The Authorised Share Capital shall be as per the clause V (a) of Memorandum of Association of the company.

39. Subject to the provisions of section 61, the company may, by ordinary resolution,—

- (a) increase its authorised share capital by such amount as it thinks expedient.
- (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (c) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
- (d) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
- (e) 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.

40. Where shares are converted into stock,—

(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

(c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.

41. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—

- (a) its share capital;
- (b) any capital redemption reserve account; or
- (c) any share premium account.

### *Capitalisation of profits*

42. (i) The company in general meeting may, upon the recommendation of the Board resolve—

- (a) that it is desirable to capitalise 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, Securities Premium Accounts or otherwise available for distribution; and
  - (b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
  - (ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—
    - A. paying up any amounts for the time being unpaid on any shares held by such members respectively;
    - B. paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
    - C. partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);
  - (iii) 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;
  - (iv) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.
43. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—
- (a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
  - (b) generally do all acts and things required to give effect thereto.
- (ii) The Board shall have power—
- (a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
  - (b) to 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.

#### ***Dematerialisation of Securities***

#### **43. (i) For the purpose of this Article:-**

"Beneficial Owner": Beneficial Owner shall have the meaning assigned thereto in section 2(1)(a) of the Depositories Act, 1996.

"Depositories Act": Depositories Act shall mean the Depositories Act, 1996 and includes any statutory modification or re-enactment thereof for the time being in force.

"Depository": Depository shall mean a Depository as defined in section 2(1)(e) of the Depositories Act, 1996.

"Member": Member shall mean a duly registered holder from time to time of the security of the company and includes every person whose name is entered as beneficial owner in the records of the Depository.

**"Security":** Security shall mean such security as may be specified by SEBI.

- (ii) **"Dematerialisation of Securities":** Notwithstanding anything on the contrary contained in this Article, the company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form and further to rematerialise the securities held on depository pursuant to the Depositories Act, 1996 or any amendment thereof.
- (iii) **"Option to hold securities in physical form or with depository":** Every person holding securities of the company through allotment or otherwise shall have the option to receive and hold the same in the dematerialised form with a depository.
- (iv) **"Beneficial Owner may opt out of a Depository":** Every person holding securities of the company with a depository, being the beneficial owner thereof, may at any time opt out of the depository in the manner provided under the provisions of the Depositories Act and the Rules, if any, prescribed there under and on fulfilment of the conditions prescribed by the company from time to time, company shall issue the relevant security certificates to the beneficial owner thereof.
- (v) **"Securities in Depositories to be in fungible form":** All securities held by a depository shall be dematerialised and shall be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372A of the Companies Act, shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.
- (vi) **"Rights of depository and beneficial owners":** A depository shall be deemed to be the registered owner for the purposes of affecting the transfer of ownership of securities on behalf of the beneficial owners and shall not have any voting rights or any other rights in respect of the securities held by it.
- (vii) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all rights and benefits and be subject to all the liabilities in respect of his/her securities, which are held by a depository.
- (viii) **"Transfer of securities":** Transfer of security held in a depository will be governed by the provisions of the Depository Act, 1996. Nothing contained in Section 56 of the Companies Act, 2013 or these Articles 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.
- (ix) **"Register and Index of beneficial owners":** The Register and Index of beneficial owners maintained by a depository under the Depositories Act, 1996 shall be deemed to be the Register and Index of Members and Security holders for the purpose of these Articles.
- (x) **"Other matters":** Notwithstanding anything contained in these Articles, the provision of Depositories Act, 1996 relating to dematerialisation of securities including any modification(s) or re-enactment thereof and Rules/Regulations made there under shall prevail accordingly.
- (xi) Notwithstanding anything contained in the Act or the Articles, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the company by means of electronic mode or by delivery of floppies or disks.

#### *Nomination*

45. Notwithstanding anything contained in Articles, every holder of shares(s) or debenture(s) of the Company may, at any time, nominate, in the prescribed manner, a person to whom these share(s) shall vest in the event of his death and the provisions of Section 109A and Section 109B of the Companies Act, 1956 shall apply in respect of such nomination.

The provisions of this Article shall apply mutatis mutandis to a depository of money with the Company as per the provisions of Section 58A of the Act.

***Buy-Back of Shares***

46. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

***General Meetings***

47. All general meetings other than Annual General Meeting shall be called extraordinary general meeting.
48. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.
- (ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

***Proceedings at General Meetings***

49. (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.
- (ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.
- (iii) The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
- (iv) If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.
- (v) If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

***Adjournment of Meeting***

50. (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
- (ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
- (iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

***Voting Rights***

51. Subject to any rights or restrictions for the time being attached to any class or classes of shares,
- (a) on a show of hands, every member present in person shall have one vote; and
- (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.
52. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

53. (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
- (ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
54. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
55. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
56. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.
57. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
- (ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

#### ***Proxy***

58. 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.
59. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
60. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

#### ***Board of Directors***

61. The minimum number of Directors shall be 2 and maximum number of directors shall be 15.

The First Directors of the Company are:

- i. Namita Banka
- ii. Sanjeev Kumar Tiwari
- iii. Akhilesh Kumar Tripathi

62. (i) Subject to the provisions of the Act, the Company may pay any remuneration, as determined by the Board of Directors / General Meeting to all or any of its Directors for the services rendered by them / him in day to day management of the affairs of the company or any other type of services, whether professional in nature or not, for any of the purposes of the company, either by a fixed sum on monthly or annual basis and / or perquisites and / or a percentage of the profits or otherwise as may be determined by the Board or the members in General Meeting.

The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

(ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—

(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or

(b) in connection with the business of the company.

63. The Board may pay all expenses incurred in getting up and registering the company.

64. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.

65. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

66. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

67. (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.

(ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

### ***Proceedings of the Board***

68. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

(ii) Subject to the Articles herein, a director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

(iii) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

(iv) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

69. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

70. (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.

71. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.

72. (ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.



73. A committee may elect a Chairperson of its meetings.
74. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
75. (i) A committee may meet and adjourn as it thinks fit.
- (ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
76. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
77. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

***Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer***

78. Subject to the provisions of the Act,—
- (i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
- (ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
79. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

***Managing Director***

80. The business of the Company may be carried on by the Managing Director(s) who may be appointed by the Board of Directors / members in their General Meeting, from time to time who shall fix the terms, qualifications, remuneration, duties, authorities and powers. The Board may from time to time and subject to the provisions of the Act delegate to the Managing Director(s) such of their powers and duties and subject to such limitations and conditions as they may deem fit. The Board may from time to time, revoke, withdraw, alter or vary all or any of the powers conferred on him or dismiss him from office and appoint another in his place.
81. Subject to the provisions of section 179 and 180 of the Companies Act, 2013, the Managing Director of the Company, if any, shall be empowered to carry on the day to day business affairs of the Company. He shall have the general control, management and superintendence of the business of the Company with power to appoint and to dismiss employees and to enter into contracts on behalf of the Company in the ordinary course of business and to do and perform all other acts, deeds and things which in the ordinary course of business may be considered necessary/proper or in the interest of the Company.

***The Seal***

82. (i) The Board shall provide for the safe custody of the seal.
- (ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two

directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

***Dividends and Reserve***

83. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
84. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.
85. (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.
- (ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
86. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.
- (ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.
- (iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
87. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.
88. (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.
- (ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent
89. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
90. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
91. No dividend shall bear interest against the company.
92. No unclaimed Dividend shall be forfeited before the claim becomes barred by law, and unclaimed Dividends shall be dealt with in accordance with the applicable provisions of the Act

---

### ***Accounts***

93. (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.

(ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

### ***Winding Up***

94. 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.

95. 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.

96. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

### ***Indemnity***

97. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

## SECTION XI – OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by the Company (not being contracts entered into in the ordinary course of business carried on by the Company or contracts entered into more than two years before the date of this Draft Prospectus) which are or may be deemed material have been attached to the copy of the 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 Application/Issue Opening Date until the Application/Issue Closing Date.

#### **A. Material Contracts**

1. Memorandum of Understanding dated November 17, 2017 between our Company and the Lead Manager.
2. Memorandum of Understanding dated November 16, 2017 between our Company and the Registrar to the Issue.
3. Escrow Agreement dated [●] between our Company, the Lead Manager, Escrow Collection Bank(s) and the Registrar to the Issue.
4. Market Making Agreement dated November 17, 2017 between our Company, the Lead Manager and Market Maker.
5. Underwriting Agreement dated November 17, 2017 between our Company, the Lead Manager and Market Maker.
6. Tripartite agreement between the NSDL, our Company and the Registrar dated [●].
7. Tripartite agreement between the CDSL, our Company and the Registrar dated [●].

#### **B. Material Documents**

1. Certified true copies of the Memorandum and Articles of Association of our Company, as amended from time to time.
2. Copy of Certificates of Incorporation of Banka BioLoo Limited
3. Resolution of the Board of Directors meeting dated November 15, 2017 authorizing the Issue.
4. Shareholders' resolution passed at the EGM dated November 16, 2017 authorizing the Issue.
5. Auditor's report for Restated Financials dated November 16, 2017 included in this Draft Prospectus.
6. The Statement of Tax Benefits dated November 17, 2017 from our Statutory Auditor.
7. Consent of our Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor, Banker to the Company, Lead Manager, Legal Advisor to the Issue, Registrar to the Issue, Market Maker and Underwriters as referred to in their specific capacities.
8. Due Diligence Certificate(s) dated [●] of the Lead Manager to be submitted to SEBI along with the filing of the Prospectus.
9. Approval from NSE vide letter dated [●] to use the name of NSE in this Issue Document for listing of Equity Shares on the SME Platform of the NSE.

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.

## DECLARATION

We, hereby declare that, all the relevant provisions of the Companies Act, 1956, Companies Act, 2013 (to the extent notified) and the Guidelines issued by the Government of India or the Regulations or Guidelines issued by the Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in the Draft Prospectus is contrary to the provisions of the Companies Act, 1956, Companies Act, 2013 (to the extent notified), the Securities and Exchange Board of India Act, 1992, each as Amended or Rules made there under or Guidelines / Regulations issued, as the case may be. We further certify that all the disclosures and statements made in the Draft Prospectus are true and correct.

### SIGNED BY THE DIRECTORS OF OUR COMPANY:

Sd/- _____ <b>Mrs. Namita Banka</b> Chairman & Managing Director	Sd/- _____ <b>Mr. Akhilesh Kumar Tripathi</b> Whole Time Director
Sd/- _____ <b>Mr. Sanjay Banka</b> Whole Time Director	Sd/- _____ <b>Mr. T V Rama Krishna</b> Whole Time Director
Sd/- _____ <b>Mr. Vishal Murarka</b> Non Executive Director	Sd/- _____ <b>Mrs. Geeta Goti</b> Non Executive Independent Director
Sd/- _____ <b>Mr. Sandip Poddar</b> Non Executive Independent Director	Sd/- _____ <b>Mr. Jayant Kumar</b> Non Executive Independent Director

### SIGNED BY THE CHIEF FINANCIAL OFFICER & COMPANY SECRETARY AND COMPLIANCE OFFICER

Sd/- _____ <b>Mr. T V Rama Krishna</b> Chief Financial Officer	Sd/- _____ <b>Mr. Y. Sri Bala Aditya</b> Company Secretary and Compliance Officer
---	--

Date: November 20, 2017

Place: Hyderabad