Prospectus
Dated: June 04, 2019
(Please read Section 26 of Companies Act, 2013)
Fixed Price Issue

MEERA INDUSTRIES LIMITED

CIN: L29298GJ2006PLC048627

Our Company was originally incorporated as "*Meera Industries Private Limited*" on July 05, 2006 with the Registrar of Companies, Gujarat, Dadra and Nagar Havelli as a private limited company under the provisions of the Companies Act, 1956 bearing registration no. 048627. The status of the Company was changed to public limited and the name of our Company was changed to "*Meera Industries Limited*" vide Special Resolution dated February 25, 2017. The fresh certificate of incorporation consequent to conversion to Public Limited Company was issued on March 09, 2017 by the Registrar of Companies, Ahmedabad. For further details, pertaining to the change in constitution, change in name and Registered Office of our Company, please see "*History and Certain Corporate Matters*" on page no. 108 of this Prospectus.

Registered Office: 2126, Road No. 2, GIDC, Sachin, Surat, Gujarat – 394230
Tel: + 91 261 2399114; **Fax:** +91 261 2397269; **Email**: info@meeraind.com; **Website:** www.meeraind.com
Contact Person: Ms. Bhavisha K. Khakhkhar, Company Secretary and Compliance Officer.

PROMOTERS OF OUR COMPANY: MR. DHARMESH V. DESAI AND MRS. BIJAL D. DESAI

FURTHER PUBLIC ISSUE OF 5,22,000 EQUITY SHARES OF ₹ 10 EACH ("EQUITY SHARES") OF MEERA INDUSTRIES LIMITED ("MIL" OR THE "COMPANY") FOR CASH AT A PRICE OF ₹ 225 PER SHARE (INCLUDING A SHARE PREMIUM OF ₹ 215 PER EQUITY SHARE) (THE "ISSUE PRICE"), AGGREGATING TO ₹ 1,174.50 LAKHS ("THE ISSUE"), OF WHICH 30,000 EQUITY SHARES OF ₹ 10 EACH WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 4,92,000 EQUITY SHARES OF ₹ 10/- EACH IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 11.73% AND 11.06%, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF THE COMPANY.

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10 EACH. THE ISSUE PRICE IS 22.50 TIMES THE FACE VALUE OF THE EQUITY SHARES.

The Issue is being made through the Fixed Price Process in accordance with Regulation 281 read with Regulation 103(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI ICDR Regulations"), wherein a minimum 50% of the Net Issue is allocated for Retail Individual Applicants and the balance shall be offered to individual applicants other than Retail Individual Applicants and other investors including corporate bodies or institutions, 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 the Issue Price. Additionally, if the Retail Individual Applicants category is entitled to more than fifty per cent on proportionate basis, the Retail Individual Applicants shall be allocated that higher percentage. Specific attention of investors is invited to the chapter titled "*Issue Information*" on page no. 240 of this Prospectus.

In terms of the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 and SEBI/HO/CFD/DIL2/CIR/P/2018/138, all potential investors shall participate in the Issue only through an Application Supported by Blocked Amount ("ASBA") process including through UPI mode (as applicable) by 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. 247 of this Prospectus.

GENERAL RISKS

Investments 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 Prospectus. Specific attention of the investors is invited to "*Risk Factors*" on page no. 17 of this Prospectus.

COMPANY'S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares are listed on BSE Limited ("BSE"). Our Company has received an 'in-principle' approval from BSE for the listing of the Equity Shares proposed in this Issue, pursuant to letter dated June 03, 2019. For the purposes of this Issue, BSE shall be the Designated Stock Exchange. A copy of the Prospectus shall be delivered for registration to the RoC in accordance with Section 26(4) of the Companies Act, 2013. For details of the material contracts and documents which shall be available for inspection from the date of registration of this Prospectus with the RoC, until the Issue Closing Date, see "*Material Contracts and Documents for Inspection*" on page no. 359 of this Prospectus.

LEAD MANAGER	REGISTRAR TO THE ISSUE
ARYAMAN FINANCIAL SERVICES LIMITED 60, Khatau Building, Ground Floor Alkesh Dinesh Modi Marg, Fort, Mumbai – 400 001 **Tel No.:** +91 22 6216 6999 **Fax No.:** +91 22 2263 0434 **Email:** ipo@afsl.co.in **Website:** www.afsl.co.in **Investor Grievance Email:** feedback@afsl.co.in **Contact Person:** Mr. Pranav Nagar / Mrs. Jyothi Shetty **SEBI Registration No.:** INM000011344	**KARVY FINTECH PRIVATE LIMITED**[(1)] Karvy Selenium, Tower-B, Plot No. 31 & 32, Gachibowli, Financial District Nanakramguda, Serilingampally, Hyderabad – 500 032, Telangana **Tel No.:** +91 40 6716 2222 **Fax No.:** +91 40 2343 1551 **E-mail:** einward.ris@karvy.com **Investor Grievance E-mail:** meeraindustries.fpo@karvy.com **Website:** https://karisma.karvy.com **Contact Person:** Mr. M. Murali Krishna **SEBI Registration No.:** INR000000221

ISSUE PROGRAMME	
ISSUE OPENING DATE : JUNE 13, 2019	**ISSUE CLOSING DATE : JUNE 18, 2019**

(1) *Karvy Fintech Private Limited has become a SEBI registered registrar to an issue under the Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 pursuant to amalgamation with Karvy Computershare Private Limited with effect from November 17, 2018.*

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

General Terms

Term	Description
The Company / our Company / The Issuer	Meera Industries Limited, a company incorporated under the Companies Act, 1956 and having its Registered Office at 2126, Road No. 2, GIDC, Sachin, Surat - 394230, Gujarat.
"we", "us" or "our"	Unless the context otherwise indicates or implies, our Company together with its Subsidiary, on a consolidated basis.

Company related Terms

Term	Description
AoA/ Articles / Articles of Association	The articles of association of our Company, as amended from time to time.
Auditors / Statutory Auditors	K A Sanghavi & Co. LLP, Chartered Accountants.
Audit Committee	The committee of our Board of Directors formed in accordance with Section 177 of the Companies Act, 2013.
Board of Directors / Board	The Board of Directors of Meera Industries Limited, including all duly constituted Committees thereof.
Chief Financial Officer	Chief financial officer of our Company is Mr. Vinod S. Ojha
Company Secretary and Compliance Officer	The Company Secretary and Compliance officer of our Company is Ms. Bhavisha K. Khakhkhar.
Corporate Social Responsibility Committee /CSR Committee	The corporate social responsibility committee of our Board, as described in *"Our Management"* on page no. 114 of this Prospectus.
Director(s)	Director(s) of Meera Industries 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.
Group Company	Company(ies) (other than our Subsidiary) with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards, and as disclosed in "*Our Group Company*" on page no. 131 of this Prospectus.
Key Management Personnel / KMP	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations as disclosed in "*Our Management*" on page no. 114 of this Prospectus.
MOA / Memorandum / Memorandum of Association	The memorandum of association of our Company, as amended from time to time.
Nomination and Remuneration Committee	The committee of our Board of Directors formed in accordance with Section 178 of the Companies Act, 2013.
Promoter(s) / Core Promoter	The Promoters of our Company, namely, Mr. Dharmesh V. Desai and Mrs. Bijal D. Desai.
Promoter Group	Such persons, entities and companies constituting our promoter group pursuant to Regulation 2(1)(pp) of the SEBI (ICDR) Regulations as disclosed in "*Our Promoter and Promoter Group*" on page no. 127 of this Prospectus.
Registered Office	The Registered Office of our Company situated at 2126, Road No. 2, GIDC, Sachin, Surat - 394230, Gujarat.
Registrar of Companies / RoC	Registrar of Companies, ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad - 380013.
Restated Financial Statements	Restated Financial Statements of our Company for the financial year ended March 31, 2019, 2018 and 2017 which are prepared in accordance with Indian GAAP read with

Term	Description
	Section 133 of the Companies Act, 2013 and also comprises notes and schedules thereto.
Stakeholders' Relationship Committee	The committee of our Board of Directors formed in accordance with Section 178 of the Companies Act, 2013.
Wholly Owned Subsidiary/ Subsidiary	Meera Industries USA LLC.

Issue Related Term

Term	Description
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application Form.
Allot / Allotment / Allotted	Unless the context otherwise requires, allotment of the Equity Shares to successful Applicants pursuant to the Fresh Issue.
Allotment Advice	A note or 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.
Allottees	The successful applicant to whom the Equity Shares are being / have been allotted.
Applicant	Any prospective investor who makes an Application pursuant to the terms of the Prospectus and the Application Form.
Application	Indication to make an offer during the Issue Period by an ASBA Applicant pursuant to submission of the ASBA Form, to subscribe to or purchase the Equity Shares at the Issue price, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Prospectus and the Application Form.
Application Amount	The application indicated in the Application Form and payable by the Applicant or blocked in the ASBA Account of the Applicant, as the case may be, upon submission of the Application.
Application Form	ASBA Form
Application Supported by Blocked Amount/ ASBA	An application, whether physical or electronic, used by ASBA Applicant to make an Application authorizing SCSBs to block the Application Amount in the specified Bank Account maintained with such SCSB and will include amounts blocked by RIIs using the UPI Mechanism.
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB or the account of the Retail Investor blocked upon acceptance of UPI Mandate Request by RIIs using the UPI Mechanism to the extent of the Application Amount of the Applicant.
ASBA Applicant(s)	Any prospective investor who makes an Application pursuant to the terms of the Prospectus and the Application Form.
ASBA Application / Application	An application form, whether physical or electronic, used by ASBA Applicants which will be considered as the application for Allotment in terms of the Prospectus.
ASBA Form	An application form (with and without the use of UPI, as may be applicable), whether physical or electronic, used by the ASBA Applicants and which will be considered as an application for Allotment in terms of the Prospectus.
Banker(s) to the Company	Such banks which are disclosed as Bankers to our Company in the chapter titled "*General Information*" on page no. 40 of this Prospectus.
Banker(s) to the Issue	The banks which are Clearing Members and registered with SEBI as Banker to an Issue with whom the Escrow Agreement is entered and in this case being May 27, 2019.
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 "*Issue Procedure*" beginning on page no. 247 of this Prospectus.
Bidding Centers	Centers at which Designated Intermediaries shall accept the ASBA Forms, i.e., Designated Branches for SCSBs, Specified Locations for Syndicate, Broker Centers for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Broker Centre	The centres notified by the Stock Exchanges where Applicants can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Broker are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com).

Term	Description
Client ID	Client identification number maintained with one of the Depositories in relation to demat account.
Collecting Depository Participant" or "CDP	A depository participant registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI as per the list available on the websites of BSE and NSE.
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 and UPI ID wherever applicable.
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time.
Designated CDP Locations	Such locations of the CDPs where Applicants can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Date	The date on which instructions are given to the SCSBs to unblock the ASBA Accounts and transfer the amounts blocked by the SCSBs, from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, in terms of the Prospectus and the aforesaid transfer and instructions shall be issued only after finalisation of Basis of Allotment in consultation with the Designated Stock Exchange
"Designated Intermediary(ies)"	Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorized to collect ASBA Forms from the ASBA Applications, in relation to the Issue
Designated RTA Locations	Such locations of the RTAs where Applicants can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Stock Exchange	BSE Limited
Draft Prospectus	The draft prospectus dated May 17, 2019 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Issue, including any addenda and corrigenda thereto
Eligible NRI(s)	NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the ASBA Form and the Prospectus will constitute an invitation to subscribe to or to purchase the Equity Shares
Escrow Collection Bank(s)	The bank which is a clearing member and registered with SEBI as a banker to an issue, in this case being ICICI Bank Limited.
First Applicant	The Applicant whose name shall be mentioned in the Application Form or the Revision Form and in case of joint applications, whose name shall also appear as the first holder of the beneficiary account held in joint names
General Information Document or GID	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
Gross Proceeds	The Issue Proceeds
Issue Closing Date	The date after which the Designated Intermediaries will not accept any Applications being June 18, 2019.
Issue Opening Date	The date on which the Designated Intermediaries shall start accepting Applications being June 13, 2019.
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which prospective Applicants can submit their Applications, including any revisions thereof
Issue	The further public issue of 5,22,000 Equity Shares of face value of ₹ 10 each for cash at a price of ₹ 225 each (including a securities premium of ₹ 215 per Equity Share), aggregating ₹ 1,174.50 Lakhs, consisting of a Fresh Issue
Issue Agreement	The agreement dated May 03, 2019, entered amongst our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue

Term	Description
	and addendum dated June 04, 2019.
Issue Price	The final price at which Equity Shares will be allotted to Applicants. The Issue Price will be decided by our Company in consultation with the Lead Manager.
Issue Proceeds	The proceeds of the Issue that will be available to our Company, upon receipt of listing and trading permission from the Stock Exchange.
Lead Manager / LM	Lead Manager to the Issue, being Aryaman Financial Services Limited.
Lot / Application Lot	500 Equity Shares.
Market Making Agreement	The Agreement among the Market Maker, the Lead Manager and our Company dated May 13, 2019 and addendum dated June 04, 2019.
Maximum Retail Investor Allottees	Maximum number of RIIs who can be allotted the minimum Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot, subject to valid Bids being received at or above the Issue Price
Net Proceeds	The Gross Proceeds of Fresh Issue less the Issue expenses. For further details regarding the use of the Net Proceeds and the Issue expenses, see "*Objects of the Issue*" on page no. 58 of this Prospectus.
Non-Institutional Applicants	All Applicants that are not QIBs or Retail Individual Applicants and who have made Application for Equity Shares for an amount of more than ₹ 2,00,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The Portion of the Issue being not more than 50% of the Issue consisting of 2,46,000 Equity Shares which shall be available for allocation on a proportionate basis to Non-Institutional Applicants, subject to valid Applications being received at or above the Issue Price.
Non-Resident or NR	A person resident outside India, as defined under FEMA and includes a non-resident Indian, FVCIs and FPIs
Prospectus	The prospectus to be filed with the RoC in accordance with section 26 of the Companies Act, 2013, and the SEBI ICDR Regulations containing, *inter alia*, the Issue Price, the size of the Issue and certain other information.
Public Issue Account	A bank account to be opened under section 40(3) of the Companies Act, 2013 to receive monies from the ASBA Accounts on the Designated Date
Public Issue Bank	A bank which is a clearing member and registered with SEBI as a banker to an issue and with whom the Public Issue Account will be opened, in this case being ICICI Bank Limited.
Qualified Institutional Buyers or QIBs or QIB Bidders	A qualified institutional buyer as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
Registered Brokers	Stock brokers registered with the stock exchanges having nationwide terminals, other than the Lead Manager and eligible to procure Applications in terms of Circular No. CIR/CFD/14/2012 dated October 4, 2012 issued by SEBI
Registrar Agreement	The agreement dated April 15, 2019 entered amongst our Company and the Registrar to the Issue, in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue
Registrar and Share Transfer Agents or 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 as per the list available on the websites of BSE and NSE
Registrar to the Issue / Registrar	Karvy Fintech Private Limited[#]
Retail Individual Investors(s) / RII(s)	Individual Investors, who have made Application for the Equity Shares for an amount not more than ₹ 200,000 in the Issue (including HUFs applying through their Karta and Eligible NRIs)
Retail Portion	The portion of the Issue being not less than 50% of the Issue consisting of 2,46,000 Equity Shares which shall be available for allocation to Retail Individual Investors (subject to valid Applications being received at or above the Issue Price), which shall not be less than the minimum Application Lot subject to availability in the Retail Portion, and the remaining Equity Shares to be Allotted on a proportionate basis
Revision Form	The form used by the Applicants to modify the quantity of the Equity Shares or the Application Amount in any of their ASBA Form(s) or any previous Revision Form(s) QIB Applicants and Non-Institutional Applicants are not allowed to withdraw or lower

Term	Description
	their Application (in terms of quantity of Equity Shares or the Application Amount) at any stage. Retail Individual Investors can withdraw or revise their Applications until Issue Closing Date
Self-Certified Syndicate Bank(s) or "SCSB(s)	Banks registered with SEBI, offering services in relation to ASBA, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time
Specified Locations	Bidding Centers where the Syndicate shall accept ASBA Forms from Applicants
Sponsor Bank	The Banker(s) to the Issue registered with SEBI which is appointed by our Company to act as a conduit between the Stock Exchange and the NPCI in order to push the mandate collect requests and / or payment instructions of the RIIs into the UPI, the sponsor bank in this case being ICICI Bank Limited.
Systemically Important Non-Banking Financial Company	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
Underwriters	Aryaman Financial Services Limited and Aryaman Capital Markets Limited
Underwriting Agreement	The agreement amongst our Company and the Underwriters dated May 03, 2019 and addendum dated June 04, 2019.
UPI ID	ID created on UPI for single-window mobile payment system developed by the NPCI
UPI Mandate Request	A request (intimating the RIB by way of a notification on the UPI application and by way of a SMS directing the RII to such UPI application) to the RII initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Application Amount and subsequent debit of funds in case of Allotment.
UPI Mechanism	The application mechanism that may be used by a RII to make an Application in the Issue in accordance with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018
UPI PIN	Password to authenticate UPI transaction
Wilful Defaulter	A company or person, as the case may be, categorized as a willful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on willful defaulters issued by the RBI and includes any company whose director or promoter is categorized as such.
Working Day	The days on which commercial banks in Mumbai are open for business; provided however, with reference to (i) Issue Period, "Working Day" shall mean all days, excluding all Sundays, Saturdays and public holidays, on which commercial banks in Mumbai are open for business; (ii) the time period between the Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the circulars issued by SEBI

[#] *Karvy Fintech Private Limited has become a SEBI registered registrar to an issue under the Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 pursuant to amalgamation with Karvy Computershare Private Limited with effect from November 17, 2018.*

Technical / Industry related Terms

Term	Description
A-TUFS	Amended Technology Up-gradation Fund Scheme
CCEA	Cabinet Committee on Economic Affairs
DGFT	Directorate General of Foreign Trade
DSIR	Department of Scientific and Industrial Research
EU	European Union
FDI	Foreign Direct Investment
GST	Goods and Services Tax
IWDP	Integrated Wool Development Programme
LLC	Limited Liability Company
MEIS	Merchandise Exports from India Scheme
SCBTS	Scheme for Capacity Building in Textile Sector
TFO	Two for One Twister

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 I foreign portfolio investor(s) / Category I FPIs	FPIs who are registered as "Category I foreign portfolio investors" under the SEBI FPI Regulations
Category II foreign portfolio investor(s) / Category II FPIs	FPIs who are registered as "Category II foreign portfolio investors" under the SEBI FPI Regulations
Category III foreign portfolio investor(s) / Category III FPIs	FPIs who are registered as "Category III foreign portfolio investors" under the SEBI FPI Regulations
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	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
CY	Calendar Year
DIN	Director Identification Number
DP	Depository Participant, as defined under the Depositories Act 1996
DP ID	Depository Participant's identification
EBITDA	Earnings before Interest, Taxes, Depreciation and Amortization
ECS	Electronic Clearing System
EGM	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, read with rules and regulations thereunder
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017
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
FPO	Further Public Offer
FIPB	Foreign Investment Promotion Board
FVCI	Foreign Venture Capital Investors as defined and registered under the SEBI FVCI Regulations

Term	Description
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
ICAI	The Institute of Chartered Accountants of India
ICSI	Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
IMF	International Monetary Fund
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
IPO	Initial Public Offering
ISIN	International Securities Identification Number
KM / Km / km	Kilo Meter
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MoF	Ministry of Finance, Government of India
MICR	Magnetic Ink Character Recognition
MOU	Memorandum of Understanding
NA / N. A.	Not Applicable
NAV	Net Asset Value
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
NOC	No Objection Certificate
NRE Account	Non Resident External Account
NRIs	A person resident outside India, who is a citizen of India or a person of Indian origin, and shall have the meaning ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB / Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60.00% by NRIs including overseas trusts, in which not less than 60.00% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
p.a.	per annum
P/E Ratio	Price/Earnings Ratio
PAC	Persons Acting in Concert
PAN	Permanent Account Number
PAT	Profit After Tax
PLR	Prime Lending Rate
RBI	Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
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

Term	Description
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, 2018
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
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as repealed by the SEBI AIF Regulations
Sec.	Section
Securities Act	U.S. Securities Act of 1933, as amended
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
STT	Securities Transaction Tax
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
TIN	Taxpayers Identification Number
TDS	Tax Deducted at Source
UPI	Unified Payments Interface, a payment mechanism that allows instant transfer of money between any two persons bank account using a payment address which uniquely identifies a person's bank account
US/United States	United States of America
USD/ US$/ $	United States Dollar, the official currency of the Unites 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.
Wilful Defaulter(s)	Wilful defaulter as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations.

CERTAIN CONVENTIONS AND PRESENTATION OF FINANCIAL, INDUSTRY & MARKET DATA

Certain Conventions

All references to "India" contained in this Prospectus are to the Republic of India.

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

Financial Data

Unless stated otherwise, the financial data in this Prospectus are derived from our audited financial statements as on and for the Fiscal Years ended March 31, 2019, 2018 and 2017 prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI Regulations and included in this Prospectus. Our Fiscal Year commences on April 1 and ends on March 31 of the following year. In this Prospectus, any 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 Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices, Indian GAAP, the Companies Act and the SEBI Regulations on the financial disclosures presented in this Prospectus should accordingly be limited. We have not attempted to explain the differences between Indian GAAP, U.S. GAAP and IFRS or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

Any percentage amounts, as set forth in the section titled "*Risk Factors*", chapters titled "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on page nos. 17, 85 and 206 of this Prospectus, respectively, and elsewhere in this Prospectus, unless otherwise indicated, have been calculated on the basis of our audited financial statements prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI Regulations.

Currency and Units of Presentation

All references to:

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

Except otherwise specified, our Company has presented certain numerical information in this Prospectus in "Lakhs" units. One Lakh represents 1,00,000.

Exchange Rates

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

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Rupee and other currencies:

(in ₹)

Currency	As on March 31,	
	2019	2018
1 USD	69.17	65.04

(Source: www.rbi.org.in and www.fbil.org.in)

Note:

1. *In case March 31 of any of the respective years is a public holiday, the previous calendar day not being a public holiday has been considered.*
2. *Exchange rate is rounded off to two decimal places.*

Industry and Market Data

Unless stated otherwise, the industry and market data and forecasts used throughout this Prospectus has been obtained from industry sources as well as Government Publications. Industry sources as well as Government Publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Further, the extent to which the industry and market data presented in this Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are 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

This Prospectus contains certain "forward-looking statements". These forward-looking statements generally can be identified by words or phrases such as "aim", "anticipate", "believe", "expect", "estimate", "intend", "objective", "plan", "project", "will", "will continue", "will pursue", "seek to" or other words or phrases of similar import.

Similarly, statements that describe our Company's strategies, objectives, plans, prospects or goals are also forward-looking statements. Moreover, all forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Actual results of operations may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated without expectations with respect to, but not limited to, regulatory changes pertaining to the logistics sector and our ability to respond to them, our ability to successfully implement our strategies, our growth and expansion, technological changes, our Company's exposure to market risks, general economic and political conditions in India which have an impact on our Company's business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in the industry we operate in.

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 Textile Machinery 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 Textile Machinery Industry;
- Our ability to successfully implement our growth strategy and expansion plans;
- Our ability to meet our further capital expenditure requirements;
- Fluctuations in operating costs;
- Our ability to attract and retain qualified personnel;
- Conflict of Interest with affiliated companies, the promoter group and other related parties;
- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- 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 occurrence of natural disasters or calamities;
- Our inability to maintain or enhance our brand recognition;
- Inability to adequately protect our trademarks and
- Changes in consumer demand.

For further discussions of factors that could cause our actual results to differ, please see "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 17, 85 and 206 respectively of this Prospectus.

By their nature, certain risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Forward-looking statements speak only as of this Prospectus. Our Company, our Promoters, 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 – SUMMARY OF OFFER DOCUMENT

A. Our Company

Our Company is a growing textile machine manufacturer dealing in twisting, cabling, winding and heat setting machines and our Company is also into yarn twisting. We design, develop and sell high-performance machines to various processing and manufacturing units in the textile industry. We provide a combination of designing, manufacturing, testing facilities and after sales support that provides customer delight to the equipment offered by us. Our Company has started its own yarn twisting division in Fiscal 2017-18, which includes processing and selling of yarn.

Industry Overview

India's textiles sector is one of the oldest industries in Indian economy. India's overall textile exports during FY 2017-18 stood at US$ 39.2 billion. The Indian textile industry has the capacity to produce a wide variety of products suitable to different market segments, both within India and across the world. Moreover, the textile machinery manufacturing section is one of the largest segments of the machinery manufacturing industry in India. This industry is nearly sixty years old and has about 1000 machinery and component manufacturing units. Nearly 300 units produce complete machinery and the remaining produces various textile machinery components.

B. Our Promoters

Our Company is promoted by Mr. Dharmesh V. Desai and Mrs. Bijal D. Desai.

C. Size of the Issue

Issue	5,22,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 225 per share aggregating ₹ 1,174.50 lakhs
Of which:	
Market Maker Reservation	30,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 225 per share aggregating ₹ 67.50 lakhs
Net Issue to the Public	4,92,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 225 per share aggregating ₹ 1,107.00 lakhs

D. Object of the Issue

The Net Proceeds are proposed to be used in accordance with the details provided in the following table:

Particulars	Amount (in ₹ lakhs)
Fund expansion of our manufacturing facilities at Sachin, Surat	1,043.55
General Corporate Purposes[(1)]	149.47
Total	1,193.02

[(1)] *The amount utilised for general corporate purposes shall not exceed 25% of the Net Proceeds of the Issue.*

Pre-Issue Shareholding of our Promoters and Promoter Group as a percentage of the paid-up share capital of the Company

Category	Pre-Issue	
	No. of Shares	As a % of paid-up Equity Capital
1. Promoters	25,25,000	64.29
2. Promoter Group	2,75,000	7.00

E. Summary of Financial Information

As per Consolidated Restated Financial Statement:

(₹ in lakhs)

Particulars	For the year ended March 31,	
	2019	2018
Share Capital	392.75	392.75

Particulars	For the year ended March 31,	
	2019	2018
Net Worth	1,395.19	901.44
Total Revenue	3,641.73	2,194.34
Profit after Tax	494.55	240.80
Earnings Per Share		
- Basic	12.59	6.31
- Diluted	12.59	6.31
Net Asset Value Per Share (₹)	35.52	22.95
Total Borrowings	-	17.77

As per Standalone Restated Financial Statement:

(₹ in lakhs)

Particulars	For the year ended March 31,		
	2019	2018	2017
Share Capital	392.75	392.75	284.75
Net Worth	1,371.59	919.79	379.96
Total Revenue	3,531.07	2,156.63	1,349.02
Profit after Tax	451.80	255.12	125.31
Earnings Per Share			
- Basic	11.50	6.69	4.52
- Diluted	11.50	6.69	4.52
Net Asset Value Per Share (₹)	34.92	23.42	13.34
Total Borrowings	-	17.77	-

F. **Qualification of the Auditors**

The Restated Financial Statements do not contain any qualification requiring adjustments by the Auditors.

G. **Summary of Outstanding Litigation are as follows:**

Sr. No.	Nature of Case	No. of Outstanding cases	Amount to the extent quantifiable (in ₹ lakhs)
1.	**Litigation against our Company**		
a)	Indirect Tax Liabilities	1	13.02
2.	**Litigations against our Promoters & Directors**		
a)	Direct Tax Liabilities	3	0.27

For the details of litigation proceedings, please refer the chapter titled "*Outstanding Litigations and Material Developments*" on page no. 220 of this Prospectus.

H. **Risk Factors**

Investors should read chapter titled "*Risk Factors*" beginning on page no. 17 of this Prospectus.

I. **Summary of Contingent Liabilities**

Summary table of our contingent liabilities not provided for in our Consolidated Restated Financial Statements is as follows:

(₹ in lakhs)

Particulars	As at March 31,	
	2019	2018
Sales Tax Assessment for Sales Tax A.Y. 2006-2007 pending before Gujarat Commercial Tax Tribunal, Ahmedabad[(1)]	13.02	13.02
Total Contingent Liabilities	**13.02**	**13.02**

Summary table of our contingent liabilities not provided for in our Standalone Restated Financial Statements is as follows:

(₹ in lakhs)

Particulars	As at March 31,		
	2019	2018	2017
Amount Payable in "C" Forms under GVAT / CST pending for Collection are not received till date of assessment	-	-	10.72
Sales Tax Matter Disputed in Appeal	-	-	0.97
Sales Tax Assessment for Sales Tax A.Y. 2006-2007 pending before Gujarat Commercial Tax Tribunal, Ahmedabad[(1)]	13.02	13.02	-
Total Contingent Liabilities	**13.02**	**13.02**	**11.69**

[(1)] *The Case pertains to M/s. Meera Industries, Proprietorship Concern of Mrs. Bijal D. Desai, which was taken over by our Company in 2006.*

For further information, please refer *"Annexure XXVI – Contingent Liability"* on page no. 198 of this Prospectus.

J. **Summary of Related Party Transactions**

Our Company has entered into certain transactions with our related parties as per our Consolidated Restated Financial Statements:

(₹ in lakhs)

Particulars	Nature of Relationship	Nature of Transaction	Amount of Transaction During the Period Ended March 31,		Amount outstanding as on March 31, (Payable) / Receivable	
			2019	2018	2019	2018
Dharmesh V. Desai	Managing Director	Managerial Remuneration	30.00	30.00	(1.98)	(1.98)
Bijal D. Desai	Whole Time Director	Managerial Remuneration	21.00	21.00	(1.13)	(1.13)
Bijal D. Desai	Whole Time Director	Rent (Factory Land)	20.16	19.20	(1.51)	(1.44)
Vinod S. Ojha	CFO	Managerial Remuneration	7.75	5.79	0.43	0.49
Bhavisha K. Khakhkhar[(1)]	Company Secretary	Managerial Remuneration	5.38	-	0.43	-
Parvez Shaikh[(1)]	Company Secretary	Managerial Remuneration	-	5.66	-	0.45
Dharmesh V. Desai	Managing Director	Short Term Deposits Received	-	1.00	-	-
Bijal D. Desai	Whole Time Director	Short Term Deposits Received	-	1.00	-	-
Dharmesh V. Desai	Managing Director	Short Term Deposits Repaid	-	2.00	-	-
Bijal D. Desai	Whole Time Director	Short Term Deposits Repaid	-	2.00	-	-
Bijal D. Desai	Whole Time Director	Rent Deposit	-	-	5.00	5.00

Our Company has entered into certain transactions with our related parties as per our Standalone Restated Financial Statements:

(₹ in lakhs)

Particulars	Nature of Relationship	Nature of Transaction	Amount of Transaction During the Period Ended March 31,			Amount outstanding as on March 31, (Payable) / Receivable		
			2019	2018	2017	2019	2018	2017
Meera Industries USA LLC	Wholly Owned	Equity Instrument	-	64.76	-	64.76	64.76	-

Particulars	Nature of Relationship	Nature of Transaction	Amount of Transaction During the Period Ended March 31,			Amount outstanding as on March 31, (Payable) / Receivable		
			2019	2018	2017	2019	2018	2017
	Subsidiary							
Meera Industries USA LLC	Wholly Owned Subsidiary	Export sales	124.18	101.69	-	0.17	43.09	44.16
Dharmesh V. Desai	Managing Director	Managerial Remuneration	30.00	30.00	23.70	(1.98)	(1.98)	(1.75)
Bijal D. Desai	Whole Time Director	Managerial Remuneration	21.00	21.00	18.75	(1.13)	(1.13)	(0.99)
Bijal D. Desai	Whole Time Director	Rent (Factory Land)	20.16	19.20	10.80	(1.51)	(1.44)	(0.93)
Vinod S. Ojha	CFO	Managerial Remuneration	7.75	5.79	2.55	0.43	0.49	0.32
Bhavisha K. Khakhkhar[(1)]	Company Secretary	Managerial Remuneration	5.38	-	-	0.43	-	-
Parvez Shaikh[(1)]	Company Secretary	Managerial Remuneration	-	5.66	-	-	0.45	-
Dharmesh V. Desai	Managing Director	Short Term Deposits Received	-	1.00	1.00	-	-	(1.00)
Bijal D. Desai	Whole Time Director	Short Term Deposits Received	-	1.00	1.00	-	-	(1.00)
Dharmesh V. Desai	Managing Director	Short Term Deposits Repaid	-	2.00	-	-	-	-
Bijal D. Desai	Whole Time Director	Short Term Deposits Repaid	-	2.00	-	-	-	-
Bijal D. Desai	Whole Time Director	Rent Deposit	-	-	5.00	5.00	5.00	5.00

For details of the Related Party Transactions, please refer *"Annexure XXV of Restated Consolidated Financial Statements"* and *"Annexure XXV of Standalone Financial Statements"* on page nos. 162 and 198, under section "*Financial Statements*" on page no. 133 this Prospectus.

K. **Financing Arrangements**

There have been no financing arrangements whereby our Promoters, members of the Promoter Group, our Directors and their relatives have financed the purchase by any other person of securities of our Company during a period of six months immediately preceding the date of this Prospectus.

L. **Weighted Average Price of the Equity Shares acquired by each of the Promoters in the last one year preceding the date of this Prospectus**

Our Promoters have not acquired any Equity Shares in the last one year.

M. **Average Cost of Acquisition**

The average cost of acquisition per Equity Share to our Promoters as at the date of this Prospectus is:

Promoters	Average cost (₹)
Mr. Dharmesh V. Desai	4.77
Mrs. Bijal D. Desai	4.00

N. **Pre-FPO Placement details**

Our Company has not proposed any Pre-FPO Placement in this Issue.

O. **Issue of Equity Shares for consideration other than cash in the last one year**

No shares have been issued at a price lower than the Issue Price within the last one year from the date of this Prospectus.

P. **Split / Consolidation of Equity Shares in the last one year**

Our Company has not undertaken a split or consolidation of the Equity Shares in the one year preceding the date of this Prospectus.

SECTION III – RISK FACTOR

An investment in Equity Shares involves a high degree of financial risk. You should carefully consider all information in this Prospectus, including the risks described below, before making an investment in our Equity Shares. The risk factors set forth below do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. Any of the following risks, as well as the other risks and uncertainties discussed in this Prospectus, could have a material adverse effect on our business and could cause the trading price of our Equity Shares to decline and you may lose all or part of your investment. In addition, the risks set out in this Prospectus are not exhaustive. Additional risks and uncertainties, whether known or unknown, may in the future have material adverse effect on our business, financial condition and results of operations, or which we currently deem immaterial, may arise or become material in the future. To obtain a complete understanding of our Company, prospective investors should read this section in conjunction with the sections entitled "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on page nos. 85 and 206 of this Prospectus respectively as well as other financial and statistical information contained in this Prospectus. Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other risks mentioned herein.

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

Materiality

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

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

INTERNAL RISK FACTORS

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

Our Company Promoters 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, Promoters and Directors as on the date of this Prospectus along with the amount involved, to the extent quantifiable, based on the materiality policy for litigations, as approved by the Company in its Board meeting held on April 07, 2017.

Sr. No.	Nature of Case	No. of Outstanding cases	Amount in dispute/demanded to the extent quantifiable (₹ in lakhs)[(1)]
1.	**Litigations against our Company**		
(a)	Indirect Tax Liabilities	1	13.02
2.	**Litigations against our Directors**		
(a)	Direct Tax Liabilities	1	0.18
3.	**Litigations against our Promoters**		
(a)	Direct Tax Liabilities	2	0.09

There can be no assurance that these litigations will be decided in favour of our Company, its Promoters and its Directors 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, Promoters and Directors please refer to the chapter titled "*Outstanding Litigations and Material Developments*" beginning on page no. 220 of this Prospectus.

2. ***We require certain approvals and licenses in the ordinary course of business and are required to comply with certain rules and regulations to operate our business, and the failure to obtain, retain and renew such approvals and licenses in timely manner or comply with such rules and regulations 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. Also, we cannot guarantee that we have taken or applied for all the approvals required and if we have not taken any particular approval at all, the same may lead to penalties, both monetary and operational. Details of the approvals obtained by us or are under process of application or which are pending before the appropriate authorities are more particularly mentioned in the chapter titled "*Government and Other Key Approvals*" beginning on page no. 226 of this Prospectus.

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. For further details, please see chapters titled "*Key Regulations and Policies*" and "*Government and Other Key Approvals*" at page nos. 101 and 226 respectively of this Prospectus.

3. ***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.***

Our company is engaged in the business of manufacturing of Yarn Twisting, Winding and Heat-Setting Machine for textile industries and manufacturing / processing yarns. Many of our machinery orders involve providing services that are critical to the operations of our customers business. Any failure or defect in our products 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 machinery. Any failure to meet the scheduled timelines set by our customers or loss or damage to the machine may lead to our customers raising claims against us. This can have an adverse effect on our business, operations, revenues and earnings.

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

Our business is working capital intensive and hence, Trade Receivables and Inventories form substantial part of our current assets and net worth. Our, Trade Receivables and Inventories as on March 31, 2019, were ₹ 331.61 lakhs and ₹ 586.65 lakhs respectively. The results of operations of our business are dependent on our ability to effectively manage our inventory (raw material and finished goods) and trade receivables.

We generally procure raw materials on the basis of management estimates based on past requirements and future estimates. To effectively manage our inventory, we must be able to accurately estimate customer demand and supply requirements and purchase new inventory accordingly. However, if our management misjudges expected customer demand, it could cause either a shortage of products or an accumulation of excess inventory. Further, if we fail to sell the finished inventory we manufacture, we may be required to write-down our inventory or pay our suppliers without new purchases, or create additional vendor financing, all of which could have an adverse impact on our income and cash flows.

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

5. ***Our Company is yet to place orders for all the machinery aggregating to ₹ 266.65 lakhs required towards our proposed expansion. Any delay in placing the orders or their supply thereof may result in cost and time overrun and thereby affect our profitability.***

The Net proceeds from this Issue are proposed to fund the planned expansion as explained in the section "*Objects of the Issue*" beginning on page no. 58 of this Prospectus. As part of the said Objects, our Company proposes to acquire various plant & machinery aggregating to ₹ 266.65 lakhs which is 22.70% of the total Issue size. Our Company has not yet placed any orders for any of the plant & machinery required and the same is estimated by our Company to be done in the 4th quarter of the F. Y. 2019-20 i.e. only after completion of the building and civil works. We cannot guarantee that the machinery will be available at same cost as the quotations obtained today and the same will have to be purchased at rates prevailing at the time of placing such order. Further, there may be other unforeseen changes in taxes, technology and vendors which may require us to change various specifics of the machinery. Also, our Company is subject to risks on account of inflation in the price of the machinery. Any delay in placing the orders or their supply thereof may result in cost and time overrun.

6. ***There has been a delay in the utilization of certain portion of the IPO funds from that mentioned in the Prospectus. Further, we may experience similar delays in this further public offer.***

Our Company made its Initial Public Offer in the year 2017 and got listed to SME Exchange of BSE Ltd. on May 15, 2017. As per our Prospectus dated April 21, 2017 ("Prospectus"), filed with the RoC for our IPO, we had envisaged the utilization of the entire IPO funds in the F. Y. 2017-18. However, as disclosed in the Annual Report for the F. Y. 2017-18, out of the total amount raised through IPO, an amount of ₹ 74.72 lakhs had not been utilized during F.Y. 2017-2018 due to non availability of the particular machine type required for the purpose. This amount was originally required to be utilized for the purpose of purchase of additional plant & machineries at the manufacturing facilities at Surat as per Objects of the Issue as explained in Prospectus. Thus, there was a delay in utilizing the funds raised through IPO. If we are found in violation of the law for use of Interim Funds or any other law pertaining to the Companies Act, 2013 or SEBI Regulations, we may be liable to penalty / compounding and / or may have to give an exit offer to the shareholders.

Further, we cannot guarantee that there will not be a delay in the utilization of FPO proceeds pursuant to this Prospectus as well and if we are unable to utilize the funds as intended, we may have to postpone our plans or cancel them, requiring shareholders Approval. Also, delay or inability to use the funds for the intending objects may divert our Management's priority thus affecting our current business operations and financial conditions.

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

For the period ending March 31, 2019, our top ten clients accounted for approximately 58.03% 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 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.

8. ***Our Promoters 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 Promoters remain associated with us. Our success also depends upon the continued services of our promoters and our ability to attract, train and retain them.***

Our promoters, Mr. Dharmesh V. Desai and Ms. Bijal D. Desai have been in the business and industry for more than two decades and one decade, respectively. Our Promoters share various functional responsibilities amongst

themselves for effective management and are well supported by qualified and experienced professionals at different levels with appropriate functional responsibilities.

Our Promoters, along with the group key managerial personnel, have over the years built relations with clients, government agencies 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.

Further, our Promoters have also promoted other companies and may continue to do so. If they divert their attention to the other companies, we may not be able to function as efficiently and profitably as before. We may have to incur additional costs to replace the services of our promoters or we may not be able to do so at all, which could adversely affect our business operations and affect our ability to continue to manage and expand our business. Any inability to attract and retain talented employees or the resignation or loss of key management personnel, may have an adverse impact on our business, future financial performance and the price of our Equity Shares.

9. The deployment of the Net Proceeds from the Fresh 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 Fresh Issue.

Our Company intends to primarily use the Net Proceeds from the Fresh Issue towards facility expansion as described in "*Objects of the Issue*" on page no. 58 of this Prospectus. In terms of Regulation 16 of the SEBI (ICDR) Regulations, we are not required to appoint a monitoring agency since the Fresh Issue size is not in excess of ₹ 100 crores. The management of our Company will have discretion to use the Net Proceeds from the Fresh Issue, and investors will be relying on the judgment of our Company's management regarding the application of the Net Proceeds from the Fresh Issue. Our Company may have to revise its management estimates from time to time and consequently its requirements may change. Further, estimates of certain costs are based on quotations received from various vendors from time to time. However we have not entered into any definitive agreements with any of the above vendors and there can be no assurance that the same vendor would be engaged to eventually supply the above mentioned items at the same costs. We may have to revise our expenditure and funding requirements as a result of variations in costs, estimates, quotations or other external factors, which may not be within the control of our management. 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 Issue, at a price and manner as specified SEBI ICDR Regulations pursuant to the SEBI ICDR Regulations. 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 utilization 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.

10. 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.

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 Prospectus.

11. ***We have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. Further we have not identified any alternate source of financing the 'Objects of the Issue'. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance.***

As on date, we have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. We meet our capital requirements through our owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this Issue or any shortfall in the Issue Proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details please refer "*Objects of the Issue*" on page no. 58 of this Prospectus.

12. ***Our Promoters do not have sufficient experience in yarn twisting and inability to operate the segment successfully may lead to sunk costs and affect our financial condition.***

Our Company is primarily engaged in the business of providing machinery use in the textile industry since incorporation. Our Company has recently i.e. in the year 2017-18 ventured into processing of yarn and selling the same to various textile processors.

Since our customer base for the machines manufactured by us are associated with the textile industry, our promoters have over the years established cordial relations, obtained knowledge and have a basic understanding of the textile industry. This, we believe will help us better access customer credibility as well as take benefit of our strong ties with the textile industry players thus enabling us to expand this segment. However, since we have only recently entered this business, we may hence face certain fundamental risks such as our customers or suppliers not being very strong financially (which we believe would only improve after we spend some years in the business over time) or our inability to forecast demand and supply and better understand price trends in the market. If due to this lack of experience we are unable to sustainably grow this line of business; then it may lead to sunk costs and write-offs which may in turn affect our results of operations and financial condition in the future.

13. ***Our Company does not have long term agreement with suppliers for supply of raw material. Our inability to obtain raw material in a timely manner, in sufficient quantities and/or at competitive prices could adversely affect our operations, financial condition and/or profitability.***

We are, to a major extent, dependent on external suppliers for our raw materials requirements and we do not have any long-term supply agreements or commitments in relation to the same or for any other raw materials used in our manufacturing process and typically transact on an invoice basis for each order. The raw materials used by our Company are Metal Sheets, Bars, Angles, Channels, Pipes, Spindles, Transmission, Gear etc. There can be no assurance that there will not be a significant disruption in the supply of raw materials or finished products from current sources or, in the event of a disruption, that we would be able to locate alternative suppliers of materials or third party manufacturers of comparable quality on terms acceptable to us, or at all. Identifying a suitable supplier involves a process that requires us to become satisfied with their quality control, responsiveness and service, financial stability and labour and other ethical practices. Consequently, we are also exposed to price fluctuations in various raw materials, and these fluctuations may adversely affect our ability to obtain orders and/or to execute them in a timely manner, which would have a material adverse effect on our business, results of operations and financial condition.

In case of non-availability of raw materials on favourable terms, we may have to procure the same at the terms and conditions prevalent at that point. This will result in reducing our revenues by a considerable amount due to shortage of raw material or due to inability to procure the same. Further, unfavourable terms of raw materials may also force us to reduce the scale of our operations resulting in a down-sizing of our overall business. We may have to put on hold any expansion plans and our future growth will be severely stunted. Any delay, interruption or increased cost in the supply of our raw materials arising from a lack of long-term contracts could have an adverse effect on our ability to meet customer demand for our products and result in lower revenue from operations both in the short and long term.

14. We face foreign exchange risks that could adversely affect our results of operations.

We face foreign exchange rate risk to the extent that certain of our revenues are denominated in a currency other than the Indian Rupee. Direct exports income, as a percentage of Revenue from Operations for Fiscal 2019, 2018 and 2017 were approximately 32.31%, 27.13% and 61.59% respectively. Fluctuations in exchange rate between the Indian Rupee and foreign currencies, can have a material impact on our results of operations, cash flows and financial condition.

Fluctuations in the exchange rates may affect us to the extent of orders being received from the overseas customers. Our Company may enter into certain contracts to hedge exchange rate fluctuations which may or may not adequately cover the potential loss that may arise as a result of such foreign exchange transactions. Moreover, these hedges do not cover all such exposures and are in any event subject to their own risks, including counterparty credit risk. Adverse moves in exchange rates that we have not adequately hedged may adversely impact our profitability and financial condition.

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

(₹ in lakhs)

Particulars	For the period ended March 31,		
	2019	2018	2017
Cash flow from Operating Activities	243.55	(47.44)	23.50
Cash flow from Investing Activities	(159.28)	(182.75)	(10.54)
Cash flow from Financing Activities	(84.76)	319.35	25.30

For details, please refer *"Management's Discussion and Analysis of Financial Conditions and Results of Operations of our Company"* on page no. 206 of this 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.

16. 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, 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.

17. ***Our business will suffer if we fail to keep pace with rapid changes in technology and the industries on which we focus.***

The industry we cater is characterized by rapid technological changes, evolving industry standards, changing client preferences that could result in product obsolescence and short product life cycles. The textile machinery industry is characterized by rapid technological changes, evolving industry standards, changing customer preferences that could result in short product life cycles. The success of our business depends on our ability to innovate and continuously provide services that address the varied and expanding requirements of our customers. Our future success will depend on our ability to enhance our existing offerings or develop new customized, to meet customer needs, in each case, in a timely manner.

We may not be successful in anticipating or responding to our customers' requirements on a timely and cost efficient basis, or at all. We may also be unsuccessful in stimulating customer demand for new and upgraded products and services. Additionally, during the regular course of operating our business, we may adjust our future plans as a result of our research, experience, technology evolution and market demand. We cannot guarantee that any change in technology will become successful or be more successful than our current technology.

Further, the development of some of our product and services may require significant upfront investments and the failure of these services and solutions may result in our inability to recover these investments, in part or in full. Our failure to address the demands of our customers and the rapidly evolving technology environment, particularly with respect to emerging technologies and technological obsolescence, could have a material adverse effect on our business, results of operations and financial condition.

18. ***The prices we are able to obtain for yarns that we process depend largely on prevailing market prices. Further, due to introduction of new taxes on yarns, it could have an impact on our processing activities.***

The price of yarns processed by us has a significant impact on our profits. Textiles has been subject to price fluctuations resulting from weather, domestic and foreign trade policies, shifts in supply and demand and other factors beyond our control. As a result, any fluctuation in prices could have a material adverse effect on our Company and our results of operations. Further, the yarn processing division mostly dealt with small and medium traders and manufacturers. After the introduction of GST many of our suppliers and customers have reduced their trading activities and hence we are in process of identifying new vendors / customers so that we can re- build this division. This recent changes could have an overall impact on the operations of our Company and may ultimately affect the results and financial condition along with the profitability.

19. ***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.

20. ***Our Company has made application for registration of trademark, which is under process of registration. We are unable to assure that the future viability or value of any of our intellectual property or that the steps taken by us to protect the proprietary rights of our Company will be adequate.***

We have made an application with 'The Registrar of Trade Marks, Trade Marks Registry' for registration of trademark " MEERA " and the registration for the said trademark in our name is important to retain our brand equity. If our application for registration is not accepted or if the oppositions filed against our trademark application if any, are successful, we may lose the statutory protection available to us under the Trade Marks Act, 1999 for such trademark. Further, we cannot assure that our pending application would be granted registration or will not be challenged or if granted registration, will not be invalidated or circumvented or will offer us any meaningful protection. We are unable to assure that the future viability or value of any of our intellectual property or that the steps taken by us to protect the proprietary rights of our Company will be adequate

If our unregistered trademark is registered in favour of a third party, we may not be able to claim registered ownership of the trademark and consequently, we may be unable to seek remedies for infringement of this trademark by third parties other than relief against passing off by other entities. Further, we may become subject to claims by third parties if we use the trademark in breach of any intellectual property rights registered by such third parties. Any legal proceedings pursuant to such claims, or settlements there under, may divert management attention and require us to pay financial compensation to such third parties. We have also not obtained any registrations for the designs developed by us in our research and design centre. Our inability to obtain or maintain these registrations may adversely affect our competitive business position.

21. ***If we fail to keep our technical knowledge and process know-how confidential, we may suffer a loss of our competitive advantage.***

We possess extensive technical knowledge about our products and such technical knowledge has been developed through our own experiences. Our technical knowledge is an independent asset of ours, which may not be adequately protected by intellectual property rights such as patent registration or design registration. Some of our technical knowledge is protected only by secrecy. As a result, we cannot be certain that our technical knowledge will remain confidential in the long run. Certain proprietary knowledge may be leaked (either inadvertently or wilfully), at various stages of the manufacturing process. A significant number of our employees have access to confidential design and product information and there can be no assurance that this information will remain confidential. Moreover, certain of our employees may leave us and join our various competitors. Although we may seek to enforce non-disclosure agreements in respect of research and development, we cannot guarantee that we will be able to successfully enforce such agreements.

22. ***Our Company is dependent on the continuing operation of our manufacturing facilities. Any significant interruption at our manufacturing facilities could have a material adverse effect on our business, results of operations and financial condition.***

Our Company manufactures substantially all of the products at our manufacturing facility located at 2126, Road No. 2 GIDC, Sachin, Surat - 394230, Gujarat, which are subject to the normal risks of industrial production, including equipment breakdowns, labour stoppages, and natural disasters, directives from government, GIDC rules and power interruptions. In case of any disruption at such facilities, it may adversely affect the manufacturing cycle, and may lead to time over-run in the execution of the project. As on date of this Prospectus there are no litigations or disputes on our occupancy for the mentioned premise. However, any defaults in complying with the said terms and conditions/covenants on our part may be subjected to penal provisions and it may also lead to the cancellation of such lease, which will adversely affect our business, financial conditions and results of operations.

Our manufacturing facilities require a significant amount and continuous supply of electricity and any shortage or non-availability of electricity may adversely affect our operations. The manufacturing process of our products requires significant electricity and any disruption may interfere with manufacturing process requiring us to either stop our operations or repeat activities which may involve additional time and increase our costs.

23. ***We are dependent on third party transportation providers for the delivery of our raw material and products. 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***

We use third party transportation providers for the delivery of our raw material and products. 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.

24. We have undertaken and may continue to undertake acquisitions / set-up subsidiary, which may prove to be difficult to integrate and manage or may not be successful, and may result in increased expenses or write-offs.

We have pursued and may continue to pursue acquisition opportunities or set-up new subsidiary to enhance our capabilities and address gaps in industry expertise, technical expertise and geographic coverage. It is possible that we may not identify suitable acquisition or investment candidates or joint venture partners or we are not able to set-up the subsidiary with the required expertise, reach and capability. Also, if we do identify suitable candidates or partners, we may not complete those transactions on terms commercially acceptable to us or at all. The inability to successfully set-up or acquire new subsidiary or our inability to identify suitable acquisition targets or investments or joint ventures or the inability to complete such transactions may adversely affect our competitiveness and our growth prospects. In F.Y.2017-18, our Company acquired 100% shares of Meera Industries USA LLC, making it our wholly owned subsidiary. When we acquire or set-up any company as a subsidiary, we could have difficulty in initializing and/or assimilating that company's personnel, operations, products, services, technology and software with our operations. In addition, if the subsidiary is acquired, the key personnel of the acquired company may decide not to work with us. These difficulties could disrupt our ongoing business, distract our management and employees and increase our expenses. Further, any such acquisition or setting up of a subsidiary that we attempt, whether or not completed, or any media reports or rumours with respect to any such activity, may adversely affect the value of our Equity Shares. Also, considering the fact that these subsidiary are spread in different countries, we cannot assure that we would be able to:

- Adequately analyze key risks and other metrics prior to beginning operations through these subsidiary;
- Develop a well trained operations team with relevant systems and processes to handle the unit;
- React effectively to any Government regulation pertaining in that country which prohibits export or trade or other such externality which would be having a major impact on cost of operations;
- Comply with various regulations of country specific laws and other Textile industry regulations.

The lack of experience in new subsidiary could adversely affect our ability to achieve our sales and key execution targets and hence adversely impact our future consolidated and standalone results of operations and financial conditions.

25. We do not own certain premises used by our Company and the premises which we have leased may not be duly registered or adequately stamped.

Manufacturing unit used by our Company has been obtained on a lease hold basis from our Promoter, Mrs. Bijal D. Desai. If the owners of such leased premises do not renew the agreements under which we occupy or use the premises on terms and conditions acceptable to us, or at all, we may suffer a disruption in our operations. Further, the lease agreements which our Company has executed in relation to the above mentioned properties are not adequately stamped and registered. Unless such document are adequately stamped or duly registered, such documents may be rendered as inadmissible as evidence in a court in India or attract penalty as prescribed under applicable law, which may result in an adverse effect on the continuance of the operations and business of our Company.

26. Contingent liabilities could adversely affect our financial condition. Crystallization of any of these contingent liabilities may adversely affect our financial condition.

As of March 31, 2019, our contingent liabilities as indicated in our Restated Standalone Financial Statements were as follows:

(₹ In Lakhs)

Particulars	As on March 31,		
	2019	2018	2017
Litigation with revenue authorities	13.02	13.02	11.69

Any default in payment under such arrangement may have an adverse effect and may result into difficulty in arranging of funds for re-payment and may also adversely affect our operations and financials.

In the event that any of our contingent liabilities materialize, our business, financial condition and results of operations may be adversely affected. Furthermore, there can be no assurance that we will not incur similar or increased levels of contingent liabilities in the current fiscal year or in the future. For further information, please

refer *"Annexure XXVI of Restated Standalone Financial Statements"* on page no. 199 under the section titled "*Financial Statement"* on page no. 133 of this Prospectus

27. Our business is not of continuous production in nature thus resulting in varied results for different operating periods as well as Balance Sheet situations.

Compared to a normal mass manufacturing / services company, our business is not of continuous standardized production nature. We procure raw materials for a particular order or expected order well in advance & there could be a major difference in lag timing of delivering an order depending on various matters such as company of sector being worked; tenure of relevant order. Hence our result of operation may not be seamless / similar for different quarters or different operating periods. Further our balance sheet size with respect to working capital could vary between different operating periods depending on the stage of our production process or relevant order being worked on. Our inability to complete orders in time or monitor our inventory assets could affect our results of operations and financial conditions.

28. Our Company's manufacturing activities are dependent on availability of skilled and unskilled labourers. In case of unavailability of such labourers and / or inability to retain such personnel, our business operations could be affected.

Our Company has employed 129 employees as on April 30, 2019 employees on our payroll. The above includes employees in the top and middle management and also employees who are part of manufacturing unit and office staff. Our operations and performance are 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 labour, either for specialized jobs or during periods of high customer orders. Any failure to hire the appropriate labour may impact the operations and impair our client relations.

29. Our insurance coverage may not adequately protect us against all material hazards, which may adversely affect our business, results of operations and financial condition.

Our business and assets could suffer damage from fire, natural calamities, misappropriation or other causes, resulting in losses, which may not be fully compensated by insurance. There can be no assurance that the terms of our insurance policies will be adequate to cover any damage or loss suffered by our Company 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, our Company is 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, our Company may face significant uninsured losses. If our Company suffers a large uninsured loss or if any insured loss suffered, significantly exceeds our insurance coverage, our business, financial condition and results of operations may be adversely affected.

30. We have in the past entered into related party transactions and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders.

We have entered into related party transactions with our Promoters, Promoter Group and Directors. While we believe that all such transactions have been conducted on the arm's length basis, however it is difficult to ascertain whether more favourable terms would have been achieved had such transactions been entered with unrelated parties. 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. Furthermore, it is likely that we may enter into related party transactions in the future. For details, please refer "*Annexure XXV of Restated Consolidated Financial Statements*" and "*Annexure XXV of Standalone Financial Statements*" on page nos. 162 and 198 of this Prospectus.

31. 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.

32. Our subsidiary Meera Industries USA LLC has incurred losses in financial year 2017-18.

Our Subsidiary has incurred losses during the financial year 2017-18 i.e. the financial year proceeding the current financial year, details of which are as under:

(₹ in lakhs)

Name of Company	For the year ended March 31,	
	2019	2018
Meera Industries USA LLC	42.74	(14.33)

33. Our Company if not able to manage our growth or to successfully implement our business plan could have an effect on our business, 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 Increasing Operational efficiency. For further details, see the section titled "*Our Business – Our Strategies*" on page no. 89 of this Prospectus. Our success in implementing our growth strategies may be affected by:

- Our ability to identify new markets to expand;
- Our ability to maintain the quality of our products;
- Changes in the Indian regulatory environment in field

If our Company is not able to execute our strategies 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 strategies 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.

34. Our Promoters 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.

Our Promoter and Promoter Group may beneficially own approximately 63% of our post-Issue equity share capital. As a result, the 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.

35. 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.

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.

36. If our employees were to unionize or our labour costs were to increase, our results of operations may be adversely affected.

None of our employees is currently represented by a collective bargaining agreement and we believe that our non unionized operations have advantages over unionized competitors in providing reliable and cost-competitive customer services, including greater efficiency and flexibility.

However, we cannot assure you that our employees will not unionize, or attempt to unionize in the future, that they will not otherwise seek higher wages and enhanced employee benefits. The unionization of our employees could result in an increase in wage expenses and our cost of employee benefits, limit our ability to provide certain services to our customers, cause customers to limit their use of our services due to the increased potential for strikes or other work stoppages and result in increased expenditures in connection with the collective bargaining process, any of which could have a material adverse effect on our business, financial condition and results of operations.

In addition, we enter into contracts with independent contractors to complete specified assignments and these contractors are required to source the labour necessary to complete such assignments. Although we generally do not engage these labourers directly, it is possible under Indian law that we may be held responsible for wage payments to labourers engaged by contractors should the contractors default on wage payments. Any requirement to fund such payments will adversely affect us, our business, financial condition and results of operations.

Further, there is a possibility that the labour costs increase disproportionately due to increase in wage/salary demand. In this event, if we are unable to pass on the increased costs to our customers, our business operations and financial condition may be adversely affected.

37. We may not be able to sustain effective implementation of our business and growth strategies.

The success of our business will depend greatly on our ability to effectively implement our business and growth strategies. We may not be able to execute our strategies in the future. Further, our growth strategies could place significant demand on our management team and other resources and would require us to continuously develop and improve our operational, financial and other controls, none of which can be assured. Any failure on our part to scale up our infrastructure and management could cause disruptions to our business and could be detrimental to our long term business outlook. Further, we operate in a highly dynamic industry, and on account of changes in market conditions, industry dynamics, technological improvements or changes and any other relevant factors, our growth strategy and plans may undergo changes or modifications, and such changes or modifications may be substantial, and may even include limiting or foregoing growth opportunities if the situation so demands. Our inability to implement our business strategies and sustain our growth may impair our financial growth and thus result in an adverse impact on our Company's share price.

38. 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 Fresh Issue as has been stated in the Chapter "*Objects of the Issue*" on page no. 58 of this 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.

RISK FACTORS RELATED TO EQUITY SHARES

39. 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.

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

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

41. 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 made dividend payments to the Shareholders of our Company. In Future, 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.

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

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

EXTERNAL RISK FACTORS

43. 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. 101 of this Prospectus. Our business and prospects could be materially adversely affected by changes in any of these regulations and policies, including the introduction of new laws, policies or regulations or changes in the interpretation or application of existing laws, policies and regulations. There can be no assurance that our Company will succeed in obtaining all requisite regulatory approvals in the future for our operations or that compliance issues will not be raised in respect of our operations, either of which could have a material adverse affect on our business, financial condition and results of operations.

44. 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.

45. 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.

46. 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.

47. 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 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.

48. Any downgrading of India's debt rating by a domestic or international rating agency could adversely affect our Company's business.

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

49. 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.

SECTION IV – INTRODUCTION

SUMMARY OF FINANCIAL INFORMATION

STATEMENT OF CONSOLIDATED ASSETS AND LIABILITIES, AS RESTATED

(₹ in lakhs)

Particulars	As at March 31,	
	2019	2018
EQUITY AND LIABILITIES		
Shareholders' Funds		
a. Share Capital	392.75	392.75
b. Reserves & Surplus	1,002.44	508.69
	1,395.19	**901.44**
Share Application Money Pending Allotment		
Non Current Liabilities		
a. Long Term Borrowings	-	17.77
b. Deferred Tax Liabilities	15.19	-
c. Long Term Provisions	6.90	22.47
	22.09	**40.24**
Current Liabilities		
a. Short Term Borrowings	-	-
b. Trade Payables	469.25	263.34
c. Other Current Liabilities	128.50	105.46
b. Short Term Provisions	151.39	157.66
	749.14	**526.46**
TOTAL	**2,166.42**	**1,468.14**
ASSETS		
Non Current Assets		
a. Property, Plant and Equipment (Net Block)		
i. Tangible Assets	688.98	523.01
ii. Intangible Assets	17.59	15.31
Gross Block	706.57	538.32
Less: Depreciation	235.21	239.20
Net Block	**471.36**	**299.12**
iii. Capital Work in Progress	-	10.80
b. Non Current Investment	-	11.55
c. Deferred Tax Assets (Net)	-	1.97
d. Long Term Loans & Advances	114.81	11.14
	586.17	**334.58**
Current Assets		
a. Current Investment	-	6.10
b. Inventories	665.67	308.17
c. Trade Receivables	341.22	330.78
d. Cash and Cash Equivalents	312.22	316.03
e. Short Term Loans & Advances	251.91	165.55
f. Other Current Assets	9.23	6.93
	1,580.25	**1,133.56**
TOTAL	**2,166.42**	**1,468.14**

STATEMENT OF CONSOLIDATED PROFIT AND LOSS, AS RESTATED

(₹ in lakhs)

Particulars	As at March 31,	
	2019	2018
INCOME		
Revenue from Operations	3,558.41	2,149.66
Other Income	83.32	44.68
Total Revenue	**3,641.73**	**2,194.34**
EXPENDITURE		
Cost of Material Consumed	2,273.23	1,262.73
Purchases of Stock-in-Trade	0.19	50.75
Changes in Inventory of Finished Goods Work-in-Progress and Stock-in-Trade	(226.53)	(82.79)
Employee benefit expenses	298.83	248.78
Finance costs	8.22	4.47
Depreciation	37.73	29.87
Other Expenses	586.96	348.17
Total Expenses	**2,978.63**	**1,861.98**
Profit before extraordinary items and tax (A-B)	**663.10**	**332.36**
Prior period items (Net)	-	-
Profit before exceptional, extraordinary items and tax (A-B)	663.10	332.36
Exceptional items	-	-
Profit before extraordinary items and tax	663.10	332.36
Extraordinary items	-	-
Profit before tax	**663.10**	**332.36**
Tax expense :		
(i) Current tax		
Holding Company in India	145.50	97.22
Whole owned subsidiary in USA	5.89	-
(ii) MAT credit	-	-
(iii) Deferred tax	17.16	(5.66)
Total Tax Expense	**168.55**	**91.56**
Restated Profit after tax for the year (D-E)	**494.55**	**240.80**
Earnings Per Equity Share:		
(a) Basic Earnings Per Share	12.59	6.31
(b) Diluted Earnings Per Share	12.59	6.31

CONSOLIDATED CASH FLOW STATEMENT, AS RESTATED

(₹ in lakhs)

Particulars	As at March 31,	
	2019	2018
Cash flow from operating activities:		
Net Profit / (Loss) before tax as per Profit And Loss account	**663.10**	**332.36**
Adjusted for:		
Depreciation & Amortisation	37.73	29.87
Adjustments for consolidation	(0.99)	(1.77)
Prior Adjustments for consolidation	-	(2.26)
Tax paid on regular assessment	-	-
Dividend income	(0.32)	(0.40)
Interest income	(6.30)	(10.91)
Profit on sae of tangible assets	(12.78)	(0.42)
Profit on sale of investment	(2.68)	(5.83)
Operating profit / (loss) before working capital changes	**677.76**	**340.64**
Movements in working capital		
Increase / decrease in trade receivables	(10.44)	(231.33)
Increase / decrease in inventories	(357.50)	(185.06)
Increase / decrease in short term loans and advances	0.70	(71.80)
Increase / decrease in other current assets	(2.30)	56.33
Increase / decrease in trade payables	205.91	93.43
Increase / decrease in long term loans and advances	(103.67)	(3.82)
Increase / decrease in other current liabilities	33.21	(31.70)
Increase / decrease in short term provisions	(3.63)	1.24
Increase / decrease in long term provisions	(15.57)	4.82
Cash (used in)/generated from operating activities	**424.47**	**(27.25)**
Direct Tax Paid, net	(184.25)	(76.43)
Net cash (used in)/generated flow from operating activities : (A)	**240.22**	**(103.68)**
Cash Flow from Investing Activities:		
Purchase of asset included in capital work-in-progress	(212.33)	(152.72)
Proceeds from sale of tangible assets	26.11	7.50
Purchase of equity shares as investments	-	(17.52)
Proceeds from sale of shares as investments	20.33	30.35
Interest income	6.30	10.91
Dividend income	0.32	0.40
Net cash (used in)/generated from investing activities : (B)	**(159.27)**	**(121.08)**
Cash flow from financing activities:		
Proceeds from issuance of share capital including premium	-	388.80
Payment of interim / final dividend to equity shareholders	(47.13)	(78.55)
Payment of dividend distribution tax	(9.69)	(15.99)
Proceeds from long term / short term borrowings	-	32.00
Repayment to long term / short term borrowing	(27.94)	(6.91)
Net Cash (used in)/generated from financing activities : (C)	**(84.76)**	**319.35**
Net increase/(decrease) in cash & cash equivalents (A+B+C)	**(3.81)**	**94.59**
Cash & cash equivalents as at beginning of the year	**316.03**	**221.44**
Cash & cash equivalents as at end of the year	**312.22**	**316.03**
Cash & cash equivalents comprises of :		
Cash in hand	4.47	1.85
Balance with bank	307.75	314.18
Closing balance of cash & cash equivalents	**312.22**	**316.03**

STATEMENT OF STANDALONE ASSETS AND LIABILITIES, AS RESTATED

(₹ in lakhs)

Particulars	As At March 31,		
	2019	2018	2017
EQUITY AND LIABILITIES			
Shareholders' Funds			
a. Share Capital	392.75	392.75	284.75
b. Reserves & Surplus	978.84	527.04	95.21
	1,371.59	**919.79**	**379.96**
Share Application Money Pending Allotment			
Non Current Liabilities			
a. Long Term Borrowings	-	17.77	-
b. Deferred Tax Liabilities	15.19	-	3.69
c. Long Term Provisions	6.90	22.47	17.65
	22.09	**40.24**	**21.34**
Current Liabilities			
a. Short Term Borrowings	-	-	-
b. Trade Payables	469.25	263.11	169.91
c. Other Current Liabilities	128.45	104.99	129.84
b. Short Term Provisions	145.50	157.66	89.94
	743.20	**525.76**	**389.69**
TOTAL	**2,136.88**	**1,485.79**	**790.99**
ASSETS			
Non Current Assets			
a. Property, Plant and Equipment (Net Block)			
i. Tangible Assets	686.02	520.05	393.30
ii. Intangible Assets	17.45	15.17	15.17
Gross Block	703.47	535.22	408.47
Less: Depreciation	234.67	238.90	214.34
Net Block	468.80	296.32	194.13
iii. Capital Work in Progress	-	10.80	-
b. Non Current Investment	64.76	76.31	23.65
c. Deferred Tax Assets (Net)	-	1.97	-
d. Long Term Loans & Advances	113.81	10.20	7.32
	647.37	**395.60**	**225.10**
Current Assets			
a. Current Investment	-	6.10	1.03
b. Inventories	586.65	237.96	123.11
c. Trade Receivables	331.61	363.05	99.45
d. Cash and Cash Equivalents	310.11	310.60	221.44
e. Short Term Loans & Advances	251.91	165.55	57.60
f. Other Current Assets	9.23	6.93	63.26
	1,489.51	**1,090.19**	**565.89**
TOTAL	**2,136.88**	**1,485.79**	**790.99**

STATEMENT OF STANDALONE PROFIT AND LOSS, AS RESTATED

(₹ in lakhs)

Particulars	As At March 31,		
	2019	2018	2017
INCOME			
Revenue from Operations	3,447.76	2,111.96	1,315.45
Other Income	83.31	44.67	33.57
Total Revenue	**3,531.07**	**2,156.63**	**1,349.02**
EXPENDITURE			
Cost of Material Consumed	2,273.23	1,262.73	774.78
Purchases of Stock-in-Trade			
Changes in Inventory of Finished Goods Work-in-Progress and Stock-in-Trade	(217.72)	(12.58)	(47.20)
Employee benefit expenses	298.83	209.57	145.55
Finance costs	7.86	4.32	3.16
Depreciation	37.30	29.57	25.39
Other Expenses	517.11	316.34	286.77
Total Expenses	**2,916.61**	**1,809.95**	**1,188.45**
Profit before extraordinary items and tax (A-B)	**614.46**	**346.68**	**160.57**
Prior period items (Net)	-	-	-
Profit before exceptional, extraordinary items and tax (A-B)	**614.46**	**346.68**	**160.57**
Exceptional items	-	-	-
Profit before extraordinary items and tax	**614.46**	**346.68**	**160.57**
Extraordinary items	-	-	-
Profit before tax	**614.46**	**346.68**	**160.57**
Tax expense :			
(i) Current tax	145.50	97.22	40.28
(ii) MAT credit	-	-	-
(iii) Deferred tax	17.16	(5.66)	(5.02)
Total Tax Expense	**162.66**	**91.56**	**35.26**
Restated Profit after tax for the year (D-E)	**451.80**	**255.12**	**125.31**
Earnings Per Equity Share:			
(a) Basic Earnings Per Share	11.50	6.69	4.52
(b) Diluted Earnings Per Share	11.50	6.69	4.52

CASH FLOW STATEMENT, AS RESTATED

(₹ in lakhs)

Particulars	As At March 31,		
	2019	2018	2017
Cash flow from operating activities:			
Net Profit / (Loss) before tax as per Profit And Loss account	**614.46**	**346.68**	**160.57**
Adjusted for:			
Depreciation & Amortisation	37.30	29.57	25.39
Tax paid on regular assessment	-	-	0.04
Dividend income	(0.32)	(0.40)	(0.38)
Interest income	(6.29)	(10.90)	(7.93)
Profit on sae of tangible assets	(12.78)	(0.42)	-
Profit on sale of investment	(2.68)	(5.83)	(0.19)
Operating profit / (loss) before working capital changes	629.69	358.70	177.50
Movements in working capital			
Increase / decrease in trade receivables	31.44	(263.60)	(31.50)
Increase / decrease in inventories	(348.69)	(114.85)	(64.03)
Increase / decrease in short term loans and advances	0.70	(71.80)	(16.10)
Increase / decrease in other current assets	(2.30)	56.33	(45.42)
Increase / decrease in trade payables	206.14	93.20	59.05
Increase / decrease in long term loans and advances	(103.61)	(2.88)	(5.82)
Increase / decrease in other current liabilities	33.63	(32.17)	(10.50)
Increase / decrease in short term provisions	(3.63)	1.24	2.39
Increase / decrease in long term provisions	(15.57)	4.82	3.27
Cash (used in)/generated from operating activities	427.80	28.99	68.84
Direct Tax Paid, net	(184.25)	(76.43)	(45.34)
Net cash (used in)/generated flow from operating activities : (A)	**243.55**	**(47.44)**	**23.50**
Cash flow from investing activities:			
Purchase of asset included in capital work-in-progress	(212.33)	(149.62)	(17.03)
Proceeds from sale of tangible assets	26.11	7.50	-
Investment in wholly owned subsidiary	-	(64.76)	-
Purchase of equity shares as investments	-	(17.52)	(4.08)
Proceeds from sale of shares as investments	20.33	30.35	2.26
Interest income	6.29	10.90	7.93
Dividend income	0.32	0.40	0.38
Net cash (used in)/generated from investing activities : (B)	**(159.28)**	**(182.75)**	**(10.54)**
Cash flow from financing activities:			
Proceeds from issuance of share capital including premium	-	388.80	30.00
Payment of interim / final dividend to equity shareholders	(47.13)	(78.55)	-
Payment of dividend distribution tax	(9.69)	(15.99)	-
Proceeds from long term / short term borrowings	-	32.00	2.00
Repayment to long term / short term borrowing	(27.94)	(6.91)	(6.70)
Net Cash (used in)/generated from financing activities : (C)	**(84.76)**	**319.35**	**25.30**
Net increase/(decrease) in cash & cash equivalents (A+B+C)	**(0.49)**	**89.16**	**38.26**
Cash & cash equivalents as at beginning of the year	**310.60**	**221.44**	**183.18**

Particulars	As At March 31,		
	2019	2018	2017
Cash & cash equivalents as at end of the year	**310.11**	**310.60**	**221.44**
Cash & cash equivalents comprises of :			
Cash in hand	**4.47**	**1.85**	**3.70**
Balance with bank	**305.64**	**308.75**	**217.74**
Closing balance of cash & cash equivalents	**310.11**	**310.60**	**221.44**

THE ISSUE

PRESENT ISSUE IN TERMS OF THIS PROSPECTUS

Equity Shares: Present Issue of Equity Shares by our Company[(1)]	5,22,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 225 per share aggregating ₹ 1,174.50 lakhs
Of which:	
Issue Reserved for the Market Maker	30,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 225 per share aggregating ₹ 67.50 lakhs
Net Issue to the Public	4,92,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 225 per share aggregating ₹ 1,107.00 lakhs
	***Of Which[(3)]*:**
	2,47,200 Equity Shares of ₹ 10 each at a price of ₹ 225 per Equity Share will be available for allocation for Investors of ₹ 2.00 lakhs
	2,47,200 Equity Shares of ₹ 10 each at a price of ₹ 225 per Equity Share will be available for allocation for Investors of above ₹ 2.00 lakhs
Equity Shares outstanding prior to the Issue	39,27,500 Equity Shares
Equity Shares outstanding after the Issue	44,49,500 Equity Shares
Objects of the Issue	Please see the chapter titled "*Objects of the Issue*" beginning on page no. 58 of this Prospectus

(1) *The present Issue has been authorized pursuant to a resolution of our Board dated December 21, 2018 and by Special Resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extra-Ordinary General Meeting of our shareholders on January 16, 2019.*

(2) *The allocation of the net issue to the public category shall be made pursuant to Regulation 281 read with Regulation 129(4) and 253(2) of SEBI (ICDR) Regulations, as amended from time to time:*

a. Minimum fifty percent to retail individual investors; and
b. Remaining to:
   i. *Individual applicants other than retail individual investors; and*
   ii. *Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for*

The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

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

For further details please refer to the chapter titled "Issue Structure" beginning on page no. 245 of this Prospectus.

GENERAL INFORMATION

Our Company was originally incorporated as "*Meera Industries Private Limited*" on July 05, 2006 with the Registrar of Companies, Gujarat, Dadra and Nagar Havelli as a private limited company under the provisions of the Companies Act, 1956 bearing registration no. 048627. The status of the Company was changed to public limited and the name of our Company was changed to "*Meera Industries Limited*" vide Special Resolution dated February 25, 2017. The fresh certificate of incorporation consequent to conversion to Public Limited Company was issued on March 09, 2017 by the Registrar of Companies, Ahmedabad. The Company's Corporate Identity Number is L29298GJ2006PLC048627.

For further details, please refer to the chapter titled "*History and Certain Corporate Matters*" beginning on page no. 108 of this Prospectus.

BRIEF COMPANY AND ISSUE INFORMATION

Registered Office	**Address**: 2126, Road No. 2 GIDC, Sachin, Surat – 394230, Gujarat **Tel:** + 91 261 2399114 **Fax:** +91 261 2397269 **Email:** info@meeraind.com **Website**: www.meeraind.com
Date of Incorporation	July 05, 2006
Company Registration No.	048627
Company Identification No.	L29298GJ2006PLC048627
Address of Registrar of Companies	**Address:** ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad - 380013 **Tel:**+91 07927438531 **Fax:**+91 07927438371
Issue Programme	Issue Opens on: June 13, 2019 Issue Closes on: June 18, 2019
Designated Stock Exchange	BSE Limited
Company Secretary and Compliance Officer	**Ms. Bhavisha K. Khakhkhar** **Address**: 2126, Road No. 2 GIDC, Sachin, Surat – 394230, Gujarat **Tel:** + 91 261 2399114 **Fax:** +91 261 2397269 **Email:** cs@meeraind.com **Website**: www.meeraind.com

BOARD OF DIRECTORS OF OUR COMPANY

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

Name	Designation	Address	DIN
Mr. Dharmesh V. Desai	Chairman & Managing Director	A- 701 Ashoka Pavallion, Opp. Kapadiya Health Club, New Civil Road, Surat City, Gujarat - 395001	00292502
Mrs. Bijal D. Desai	Wholetime Director	A- 701 Ashoka Pavallion, Opp. Kapadiya Health Club, New Civil Road, Surat City, Gujarat - 395001	00292319
Mr. Mayank Y. Desai	Non Executive Director	50, Shreedarshan Society B/h. St. Xaviers School, Ghod Dod Road, Surat, Gujarat - 395001	00354210
Mr. Hetal R. Mehta	Independent Director	D-25, Balaji Nagar, Lakeview Garden Ni Gali, Piplod, Surat, Gujarat - 395007	03370244
Mr. Sanjay N. Mehta	Independent Director	6, Vatika, 14, Baptista Road, Vile Parle (West), Mumbai – 400056, Maharashtra	00002817

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 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, Ground Floor
Alkesh Dinesh Modi Marg, Fort, Mumbai – 400 001
Tel: +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. Pranav Nagar / Mrs. Jyothi Shetty
SEBI Registration No.: INM000011344

REGISTRAR TO THE ISSUE / ISSUER

Karvy Fintech Private Limited[(1)]
Karvy Selenium, Tower-B, Plot No. 31 & 32, Gachibowli
Financial District, Nanakramguda, Serilingampally
Hyderabad – 500 032, Telangana
Tel No.: +91 40 6716 2222
Fax No.: +91 40 2343 1551
E-mail: einward.ris@karvy.com
Investor Grievance E-mail:
meeraindustries.fpo@karvy.com
Website: https://karisma.karvy.com
Contact Person: Mr. M. Murali Krishna
SEBI Registration No.: INR000000221

(1) Karvy Fintech Private Limited has become a SEBI registered registrar to an issue under the Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 pursuant to amalgamation with Karvy Computershare Private Limited with effect from November 17, 2018.

LEGAL COUNCIL TO THE ISSUE

M/s. Agama Law Associates
#273, 2nd Floor, Solaris - 1, F Wing, Saki Vihar Road
Powai, Mumbai - 400 072, Maharashtra
Tel No.: +91 22 40229129
Email: archana@agamalaw.com
Website: www.agamalaw.com
Contact Person: Ms. Archana Balasubramanian

STATUTORY AUDITOR/ PEER REVIEW AUDITOR

M/s. K A Sanghavi & Co. LLP, Chartered Accountants
1001, 1002, 1003, Rajhans Bonista, Ghod Dod Road, Surat, Gujarat – 395007
Tel No.: 0261 2653167 / 68
Email: beintouch@kascoca.com
Website: www.kascoca.com
Contact Person: CA Amish A. Sanghavi
Peer Review No.: 009316
Membership No.: 101413
Firm Registration No.: 120846W/W100289

CHANGES IN THE AUDITOR

Except as disclosed below, there has been no change in the statutory auditors during the three years immediately preceding the date of this Prospectus:

Date	From	To	Reason for Change
February 18, 2017	**M/s. Y. B. Desai & Associates, Chartered Accountant** 1/573, Gajanan Chembers, Por Street Near Anand Hospital, Nanpura Surat, Gujarat - 395001 **Tel No.:** +91 261 2474242/2465851/52 **Fax:** +91 261 2464054 **Email:** mail@ybdesaica.com **Contact Person:** Mr. Mayank Y. Desai **Peer Review No.:** 009929 **Membership No.:** 108310 **Firm Registration No.:** 102368W	**M/s. K A Sanghavi & Co. LLP, Chartered Accountant** 1001, 1002, 1003, Rajhans Bonista Ghod Dod Road, Surat Gujarat – 395007 **Tel No.:** +91 261 2653167 / 68 **Email:** beintouch@kascoca.com **Website:** www.kascoca.com **Contact Person:** CA Amish A. Sanghavi **Peer Review No.:** 009316 **Membership No.:** 101413 **Firm Registration No.:** 120846W/W100289	Resignation

BANKER TO THE COMPANY

Kotak Mahindra Bank Limited
Ground Floor, Plot No. 414/1, GIDC Industrial Estate
Road No. 4, Sachin, Surat, Gujarat – 394230
Tel No.: +91 9099908761
Email: mustak.ahmed@kotak.com
Contact Person: Mr. Mustak Ahmed
Website: www.kotak.com

BANKER TO THE ISSUE/ SPONSOR BANK

ICICI Bank Limited
Capital Market Division, 1st Floor, 122, Mistry Bhavan
Dinshaw Vachha Road, Backbay Reclamation
Churchgate, Mumbai - 400 020
Tel No.: +91 – 22 – 6681 8933 / 23 / 24
Fax No.: +91 – 22 – 2261 1138
Email: kmr.saurabh@icicibank.com
Website: www.icicibank.com
Contact Person: Mr. Suarabh Kumar

SELF CERTIFIED SYNDICATE BANKS

The lists of banks that have been notified by SEBI to act as SCSB for the Applications Supported by Blocked Amount (ASBA) Process are provided on the website of SEBI on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes. For details on Designated Branches of SCSBs collecting the Application Forms, please refer to the above mentioned SEBI link.

BROKERS TO THIS ISSUE

Applicants can submit Application Forms in the Issue using the stock brokers network of the Stock Exchanges, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the website of the SEBI (www.sebi.gov.in) and updated from time to time. For details on Registered Brokers, please refer https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes.

REGISTRAR 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 the SEBI on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, 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. 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) on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes 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

Pursuant to Regulation 281 read with Regulation 137(1) and 262(1) of the SEBI (ICDR) Regulations, 2018 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. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

IPO GRADING

The Issuer Company has not opted for the IPO grading.

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. K A Sanghavi & Co. LLP, Chartered Accountants, to include their name in respect of the reports on the Restated Financial Statements dated May 17, 2019, including amended Capitalisation Statement dated June 04, 2019 and the Statement of Tax Benefits dated May 17, 2019, issued by them and included in this Prospectus, as required under section 26(1)(a)(v) of the Companies Act, 2013 in this Prospectus and as "Expert" as defined under section 2(38) of the Companies Act, 2013 and such consent has not been withdrawn as on the date of this Prospectus.

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

FILING OF OFFER DOCUMENT

The Draft Prospectus has not been filed with SEBI, nor has SEBI issued any observation on the Offer Document in terms of Regulation 246 of SEBI (ICDR), 2018. However, pursuant to sub regulation (5) of regulation 246, the copy of

Draft Prospectus shall also be furnished to the board in a soft copy. Pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Prospectus will be filed online through SEBI Intermediary Portal at https://siportal.sebi.gov.in. 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 Registrar of Company, Ahmedabad, situated at ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad - 380013.

ISSUE PROGRAMME

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

Event	Indicative Dates
Issue Opening Date	June 13, 2019
Issue Closing Date	June 18, 2019
Finalisation of Basis of Allotment with the Designated Stock Exchange	June 21, 2019
Initiation of Allotment / Refunds / Unblocking of Funds	June 24, 2019
Credit of Equity Shares to demat accounts of Allottees	June 25, 2019
Commencement of trading of the Equity Shares on the Stock Exchange	June 26, 2019

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

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

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

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical 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 May 03, 2019 and addendum dated June 04, 2019. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriter are several and are subject to certain conditions specified therein. The Underwriter has indicated their intention to underwrite the following number of specified securities being offered through this Issue:

Details of the Underwriters	No. of Shares Underwritten	Amount Underwritten (₹ in Lakhs)	% of the Total Issue Size Underwritten
Aryaman Financial Services Limited 60, Khatau Building, Ground Floor Alkesh Dinesh Modi Marg Fort, Mumbai - 400 001 **Tel No.:** +91 22 6216 6999 **Fax No.:** +91 22 2263 0434 **Email:** ipo@afsl.co.in **Website:** www.afsl.co.in	4,92,000	1,107.00	94.25%
Aryaman Capital Markets Limited 60, Khatau Building, Ground Floor Alkesh Dinesh Modi Marg Opp. P.J. Tower (BSE Building) Fort, Mumbai 400 001 **Tel. No.:** +91 22 6216 6999 **Fax No.:** +91 22 2263 0434 **Email:** aryacapm@gmail.com	30,000	67.50	5.75%
Total	**5,22,000**	**1,174.50**	**100.00%**

As per Regulation 260(2) of SEBI (ICDR) Regulations, 2018, 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 Underwriter), the resources of the above mentioned Underwriter are sufficient to enable them to discharge their respective underwriting obligations in full. The above – mentioned Underwriter 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 at any stage including after the Issue Closing Date and thereafter determines that it will proceed with the FPO, our Company shall be required to file a fresh Draft Prospectus.

MARKET MAKER

Aryaman Capital Markets Limited[(1)]
60, Khatau Building, Ground Floor, Alkesh Dinesh Modi Marg
Opp. P.J. Tower (BSE Building), Fort, Mumbai 400 001
Tel. No.: +91 22 6216 6999
Fax No.: +91 22 2263 0434
Email: aryacapm@gmail.com
Contact Person: Mr. Harshad Dhanawade
SEBI Registration No.: INZ000004739
Market Maker Reg. No.: SMEMM0651421122012

[(1)]Note: Currently Basan Equity Broking Limited ("BEBL") is the Market Maker to the Company. Our Company has undertaken to discontinue the services of BEBL as Market Maker with effect from one day prior to the listing of the shares via this Prospectus. Subsequently from the date of listing of the shares via this Prospectus, ACML shall be the only Market Maker to the Company.

Details of the Market Making Arrangement for this Issue

Our Company and the Lead Manager, have entered into an agreement May 13, 2019 with Aryaman Capital Markets Limited ("ACML"), a Market Maker registered with SME Platform of BSE in order to fulfil the obligations of Market Making.

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

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

1. The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.

2. The minimum depth of the quote shall be ₹ 1,00,000. However, the investors with holdings of value less than ₹ 1,00,000 shall be allowed to offer their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.

3. The Inventory Management and Buying/Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and SME Platform of BSE 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 BSE and Market Maker will remain present as per the guidelines mentioned under BSE and SEBI circulars.

7. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems or any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.

8. The price band shall be 20% and the Market Maker Spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.

9. The Market Maker shall have the right to terminate 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 261 of the SEBI (ICDR) Regulations, 2018. 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.

10. **Risk containment measures and monitoring for Market Maker**: SME Platform of BSE will have all margins which are applicable on the BSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.

11. **Punitive Action in case of default by Market Maker**: SME Platform of BSE 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.

12. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for Markets Makers during market making process has been made applicable, based on the issue size and as follows:

Issue Size	Buy quote exemption threshold (including mandatory initial inventory of 5% of the Issue Size)	Re-Entry threshold for buy quote (including mandatory initial inventory of 5% of the Issue Size)
Up to ₹ 20 Crore	25%	24%
₹ 20 Crore to ₹50 Crore	20%	19%
₹ 50 Crore to ₹ 80 Crore	15%	14%
Above ₹ 80 Crore	12%	11%

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

CAPITAL STRUCTURE

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

(₹ in lakhs, except share data)

Sr. No.	Particulars	Aggregate Value at Nominal Value	Aggregate Value at Issue Price
A.	**Authorised Share Capital**		
	50,00,000 Equity Shares of face value of ₹ 10 each	500.00	-
B.	**Issued, Subscribed and Paid-up Share Capital before the Issue**		
	39,27,500 Equity Shares of face value of ₹ 10 each	392.75	-
C.	**Present Issue in terms of this Prospectus**[(1)]		
	Issue of 5,22,000 Equity Shares of ₹ 10 each at a price of ₹ 225 per equity Share	52.20	1,174.50
	Which comprises:		
	30,000 Equity Shares of ₹ 10 each at a price of ₹ 225 per Equity Share reserved as Market Maker Portion	3.00	67.50
	Net Issue to Public of 4,92,000 Equity Shares of ₹ 10 each at a price of ₹ 225 per Equity Share to the Public	49.20	1,107.00
	Of which[(2)]***:***		
	2,46,000 Equity Shares of ₹ 10 each at a price of ₹ 225 per Equity Share will be available for allocation for Investors of up to ₹ 2.00 lakhs	24.60	553.50
	2,46,000 Equity Shares of ₹ 10 each at a price of ₹ 225 per Equity Share will be available for allocation for Investors of above ₹ 2.00 lakhs	24.60	553.50
D.	**Paid-up Equity Share Capital after the Issue**		
	44,49,500 Equity Shares of ₹10 each		444.95
E.	**Securities Premium Account**		
	Before the Issue (as on date of this Prospectus)		303.30
	After the Issue		1,425.60

(1) *The present Issue has been authorized pursuant to a resolution of our Board dated December 21, 2018 and by Special Resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extra-Ordinary General Meeting of our shareholders on January 16, 2019.*

(2) *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 Prospectus.

NOTES TO THE CAPITAL STRUCTURE

1. Share Capital History of our Company:

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 (₹)
On Incorporation	10,000	10	10	Subscription to MoA[(i)]	Cash	10,000	1,00,000	Nil
September 25, 2006	9,90,000	10	10	Acquisition of Business & transfer of Stock in Trade & Advances[(ii)]	Other than Cash	10,00,000	1,00,00,000	Nil
August 10, 2009	1,09,000	10	100	Preferential Allotment[(iii)]	Cash	11,09,000	1,10,90,000	98,10,000
January 28, 2017	16,63,500	10	Nil	Bonus Issue[(iv)]	Other than Cash	27,72,500	2,77,25,000	Nil
March 23, 2017	75,000	10	40	Right Issue[(v)]	Cash	28,47,500	2,84,75,000	22,50,000
May 09, 2017	10,80,000	10	36	Initial Public Offer[(vi)]	Cash	39,27,500	3,92,75,000	3,03,30,000

i. Initial Subscribers to the Memorandum of Association subscribed 10,000 Equity Shares of face value of ₹ 10/- each fully paid up as per the details given below:

Sr. No.	Name of Subscribers	No. of Shares Allotted
1.	Mrs. Bijal D. Desai	9,000
2.	Mr. Dharmesh V. Desai	1,000
Total		**10,000**

ii. Further Allotment of 9,90,000 Equity Shares of face value of ₹ 10/- fully paid up at par on September 25, 2006 as per the table given below:

Sr. No.	Name of Allottees	No. of Shares Allotted
1.	Mrs. Bijal D. Desai*	5,33,135
2.	Mr. Dharmesh V. Desai**	4,56,865
Total		**9,90,000**

**5,33,135 Equity Shares were allotted pursuant acquisition of M/s. Meera Industries, a sole proprietary concern of Mrs. Bijal D. Desai, through deed of assignment dated September 25, 2006.*

***3,40,000 Equity Shares were allotted against transfer of stock-in-trade of M/s. Radhe Industries (Sole proprietary concern of Mr. Dharmesh V. Desai) and 1,16,865 Equity Shares were allotted as consideration against the advances received from M/s. Radhe Industries.*

iii. Preferential Allotment of 1,09,000 Equity Shares of face value of ₹ 10/- fully paid up at a premium of ₹90/-on August 10, 2009 as per the table given below:

Sr. No.	Name of Allottees	No. of Shares Allotted
1.	Mr. Devendrabhai S. Naik	72,000
2.	Mrs. Rekhaben D. Naik	37,000
Total		**1,09,000**

iv. Bonus Issue (in the ratio of 3 Equity Shares for every 2 Equity Shares held) of 16,63,500 Equity Shares of face value ₹ 10/- fully paid up on January 28, 2017 as per the table given below:

Sr. No.	Name of Allottees	No. of Shares Allotted
1.	Mrs. Bijal D. Desai	8,13,203
2.	Mr. Dharmesh V. Desai	6,86,797
3.	Mr. Devendrabhai S. Naik	1,08,000
4.	Mrs. Rekhaben D. Naik	55,500
Total		**16,63,500**

v. Right Issue (in the ratio of 30 Equity Shares for every 1,109 Equity Shares held) of 75,000 Equity Shares of face value ₹ 10/- fully paid up at a premium of ₹ 30/- on March 23, 2017 as per the table given below:

Sr. No.	Name of Allottees	No. of Shares Allotted
1.	Mr. Dharmesh V. Desai	25,000
2.	Mr. Kaunsh B. Desai	27
3.	Mr. Pinakin B. Naik	27
4.	Mrs. Avani M. Desai	24,973
5.	Mr. Mayank Y. Desai	24,973
Total		**75,000**

vi. Initial Public Issue of 10,80,000 Equity Shares of face value ₹ 10/- fully paid up at a premium of ₹ 26/- on May 09, 2017.

2. Except as mentioned below, our Company has not issued Equity Shares for consideration other than cash or out of Revaluation Reserve:

Date of Allotment	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Reason for Allotment	Benefits Accrued to our Company
September 25, 2006	9,90,000	10	10	Allotment pursuant to acquisition of Business and transfer of Stock in Trade & Advances	Acquisition of M/s. Meera Industries, a sole proprietary concern of Mrs. Bijal D. Desai and transfer of stock-in-trade of M/s. Radhe Industries, Sole proprietary concern of Mr. Dharmesh V. Desai.
January 28, 2017	16,63,500	10	Nil	Bonus Issue in the ratio of 3:2	Capitalization of Reserve & Surplus

3. No shares have been allotted in terms of any scheme approved under sections 391-394 of the Companies Act, 1956 or Sections 230-234 of the Companies Act, 2013.

4. Our Company has not issued any shares pursuant to an Employee Stock Option Scheme.

5. No shares have been issued at a price lower than the Issue Price within the last one year from the date of the Draft Prospectus.

6. Shareholding pattern of our Company

The following is the shareholding pattern of the Company as on May 31, 2019:

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	28,00,000	-	-	28,00,000	71.29%	28,00,000	-	28,00,000	71.29%	-	71.29%	8,13,203	20.71%	-	-	28,00,000
(B)	Public	333	11,27,500	-	-	11,27,500	28.71%	11,27,500	-	11,27,500	28.71%	-	28.71%	-	-	-	-	11,27,500
(C)	Non Promoter Non Public																	
(C1)	Shares Underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	**338**	**39,27,500**	**-**	**-**	**39,27,500**	**100.00%**	**39,27,500**	**-**	**39,27,500**	**100.00%**	**-**	**100.00%**	**8,13,203**	**20.71%**	**-**	**-**	**39,27,500**

i. The list of Shareholders holding 1% or more of the paid-up Share Capital of our Company as on the date of this Prospectus are:

Sr. No.	Particulars	No. of Shares	% of Shares to Pre – Issue Share Capital
1.	Mrs. Bijal D. Desai	13,55,338	34.51
2.	Mr. Dharmesh V. Desai	11,69,662	29.78
3.	Mr. Devendra S. Naik	1,80,000	4.58
4.	Mr. Utsav P. Shrivastav	1,00,500	2.56
5.	Mrs. Rekhaben D. Naik	90,000	2.29
6.	Mr. Kamlesh R. Naik	55,000	1.40
7.	Mr. Uttam Singh	44,500	1.13
8.	Ways Vinimay Private Limited	40,200	1.02
9.	Mr. Nimesh R. Naik	39,000	0.99
10.	Mr. Snehal B. Shah	33,500	0.85
11.	Mr. Alkeshbhai M. Naik	32, 500	0.83
12.	Mrs. Avani M. Desai	24,973	0.64
13.	Mr. Mayank Y. Desai	24,973	0.64
Total		**31,90,146**	**81.23**

ii. The list of Shareholders holding 1% or more of the paid-up Share Capital of our Company ten days prior to the date of the Prospectus are:

Sr. No.	Particulars	No. of Shares	% of Shares to Pre – Issue Share Capital
1.	Mr. Dharmesh V. Desai	11,69,662	34.51
2.	Mrs. Bijal D. Desai	13,55,338	29.78
3.	Mr. Devendra S. Naik	1,80,000	4.58
4.	Mr. Utsav P. Shrivastav	1,00,000	2.55
5.	Mrs. Rekhaben D. Naik	90,000	2.29
6.	Mr. Kamlesh R. Naik	55,000	1.40
7.	Ways Vinimay Private Limited	43,500	1.20
8.	Mr. Uttam Singh	43,500	1.11
9.	Mr. Nimesh R. Naik	39,000	0.99
10.	Mr. Snehal B. Shah	33,500	0.85
11.	Mr. Alkeshbhai M. Naik	32, 500	0.83
Total		**31,45,700**	**80.09**

iii. The list of Shareholders holding 1% or more of the paid-up Share Capital of our Company one year prior to the date of this Prospectus are:

Sr. No.	Particulars	No. of Shares	% of Shares to Pre – Issue Share Capital
1.	Mr. Dharmesh V. Desai	11,69,662	34.51
2.	Mrs. Bijal D. Desai	13,55,338	29.78
3.	Mr. Devendra S. Naik	1,80,000	4.58
4.	Mr. Utsav P. Shrivastav	1,00,000	2.55
5.	Mrs. Rekhaben D. Naik	89,500	2.28
6.	Guiness Securities Limited	54,500	1.39
7.	Mr. Kamlesh R. Naik	54,000	1.37
8.	Mr. Uttam Singh	40,000	1.02
9.	Mr. Nimesh R. Naik	39,000	0.99
10.	Mrs. Avani M. Desai	24,973	0.64
11.	Mr. Mayank Y. Desai	24,973	0.64
12.	Mr. Mukeshbhai N. Dobaria	24,000	0.61
13.	Mr. Parsekar Prasad	24,000	0.61

Sr. No.	Particulars	No. of Shares	% of Shares to Pre – Issue Share Capital
Total		**31,79,946**	**80.97**

iv. The list of Shareholders holding 1% or more of the paid-up Share Capital of our Company two year prior to the date of this Prospectus are:

Sr. No.	Particulars	No. of Shares	% of Shares to Pre – Issue Share Capital
1.	Mrs. Bijal D. Desai	13,55,338	34.51%
2.	Mr. Dharmesh V. Desai	11,69,662	29.78%
3.	Guiness Securities Limited	3,00,000	7.64%
4.	Mr. Devendra S. Naik	1,80,000	4.58%
5.	Mrs. Rekhaben D. Naik	89,500	2.28%
6.	Mr. Kamlesh R. Naik	54,000	1.37%
Total		**31,48,500**	**80.17%**

7. Except as disclosed in this Prospectus, our Company does not have any intention or proposal to alter our capital structure within a period of 6 months from the date of opening of the Issue by way of split/consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether preferential or bonus, rights, further public issue or qualified institutions placement or otherwise. However, our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the opening of the Issue to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.

8. **Shareholding of our Promoter**

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

Date of Allotment / Transfer	Nature of Transaction	Consideration	No. of Shares	FV (₹)	Issue/ Transfer Price (₹)	Cumulative no. of Shares	% of Pre-Issue Paid Up Capital	% of Post-Issue Paid Up Capital	Lock In Period
Mr. Dharmesh V. Desai									
On Incorporation	Subscription to MoA	Cash	1,000	10	10	1,000	0.03%	0.02%	1 Year
September 25, 2006	Preferential Allotment	Other than Cash	4,56,865	10	10	4,57,865	11.66%	10.29%	1 Year
January 28, 2017	Bonus Issue	Other than Cash	6,86,797	10	Nil	11,44,662	29.14%	25.73%	1 Year
March 23, 2017	Right Issue	Cash	25,000	10	40	11,69,662	29.78%	26.29%	1 Year
Mrs. Bijal D. Desai									
On Incorporation	Subscription to MoA	Cash	9,000	10	10	9,000	0.23%	0.20%	1 Year
September 25, 2006	Preferential Allotment	Other than Cash	4,51,338	10	10	5,42,135	13.80%	12.18%	1 Year
			81,797						3 Years
January 28, 2017	Bonus Issue	Other than Cash	8,13,203	10	Nil	13,55,338	34.51%	30.46%	3 Years

Notes:

- None of the shares belonging to our Promoters 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 Prospectus for periods as per applicable Regulations of the SEBI (ICDR) Regulations. For details please see Note no. 11 of "*Capital Structure*" on page no. 55 of this Prospectus.
- Our Promoters 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 Promoters, were fully paid-up on the respective dates of acquisition of such shares.

9. Our Company has 338 shareholders as on May 31, 2019.

10. **Pre-Issue and Post Issue Shareholding of our Promoters and Promoter' Group**

- Set forth is the shareholding of our Promoter and Promoter Group before (as on May 31, 2019) and after the proposed Issue:

Category	Pre Issue		Post Issue	
	No. of Shares	% of Pre Issue Paid Up Capital	No. of Shares	% of Post Issue Paid Up Capital
1. Promoters				
Mr. Dharmesh V. Desai	11,69,662	29.78%	11,69,662	26.29%
Mrs. Bijal D. Desai	13,55,338	34.51%	13,55,338	30.46%
2. Promoter Group (as defined by SEBI (ICDR) Regulations)				
Mr. Devendra S. Naik	1,80,000	4.58%	1,80,000	4.05%
Mrs. Rekhaben D. Naik	90,000	2.29%	90,000	2.02%
Mr. Nilesh V. Desai	5,000	0.13%	5,000	0.11%
3. Other Persons, Firms or Companies whose shareholding is aggregated for the purpose of disclosing in the Prospectus under the heading "Shareholding of the Promoter Group"	-	-	-	-
Total Promoter & Promoter Group Holding	**28,00,000**	**71.29%**	**28,00,000**	**62.93%**
Total Paid up Capital	**39,27,500**	**100.00%**	**44,49,500**	**100.00%**

- Except as mentioned below, none of the members of the Promoters, Promoter Group, Directors and their immediate relatives have purchased or sold any Equity shares of our Company within the last six months from the date of the Draft Prospectus.

Date of Transfer	Name of Transferee	No. of Shares (F.V. ₹ 10)	Price (₹)	Nature of Transaction	Nature of Consideration
January 10, 2019	Mrs. Rekhaben D. Naik	500	219	Open Market Purchase	Cash

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

11. **Promoter' Contribution and other Lock-In details:**

i. ***Details of Promoter' Contribution locked-in for 3 years***

Pursuant to the Regulation 281 read with Regulation 113(1) of the SEBI (ICDR) Regulations, 2018, in case of a further public offer, either to the extent of twenty per cent of the proposed issue size or to the extent of twenty per cent of the post-issue capital shall be considered as promoter' contribution (**"Promoter' Contribution"**) and locked-in for a period of three years from the date of Allotment in this Issue. 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 Promoters	No of Shares Locked In[(1) & (2)]	As a % of Post Issue Share Capital
Mrs. Bijal D. Desai	8,95,000	20.11%

(1) *8,13,203 shares of Mrs. Bijal D. Desai are already locked in till May 08, 2020 and thus these shares alongwith her additional 81,797 shares will be further locked in/ locked in for a period of 3 years from the date of allotment or such other period as under SEBI Regulations.*

(2) *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 under "Notes to Capital Structure" on page no. 48 of this Prospectus.*

We confirm that in compliance with regulation 281 read with regulation 114 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 unrealised profits of the issuer or from bonus issue against equity shares which are ineligible for minimum promoters' contribution.
- Equity Shares acquired by the Promoter during the preceding one year, at a price lower than the price at which Equity Shares are being issued to public in the Issue.
- 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.

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:***

a. Pursuant to Regulation 281 read with Regulation 115(b) 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 promoter's holding will be locked in for a period of one (1) year from the date of Allotment in this Issue.

b. Pursuant to Regulation 281 read with Regulation 119 and Regulation 242 of the SEBI Regulations, the Equity Shares held by our Promoters can be pledged only with banks or financial institutions as collateral security for loans granted by such banks or financial institutions for the purpose of financing one or more of the objects of the issue and the pledge of shares is one of the terms of sanction of such loan. However, as on date of this Prospectus, none of the Equity Shares held by our Promoters have been pledged to any person, including banks and financial institutions.

c. Pursuant to Regulation 281 read with Regulation 120 and Regulation 243 of the SEBI (ICDR) Regulations, Equity Shares held by our Promoter, which are locked in as per Regulation 281 read with Regulation 115 and 238 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.

12. Neither the Company, nor it's Promoters, Directors or the Lead Manager have entered into any buyback and/or standby arrangements for purchase of Equity Shares of the Company from any person.

13. 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 Prospectus.

14. 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. 247 of this Daft Prospectus. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 253(2) of SEBI (ICDR) Regulations, as amended from time to time.

15. 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.

16. An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post-issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoter and subject to lock- in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.

17. 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

18. No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoters to the persons who receive allotments, if any, in this Issue.

19. As on date of this Prospectus, there are no outstanding financial instruments or any other rights that would entitle the existing Promoters or shareholders or any other person any option to receive Equity Shares after the Issue.

20. As on date of this Prospectus, the entire issued share capital of our Company is fully paid-up. The Equity Shares issued through this Public Issue will be fully paid up.

21. 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.

22. Since the entire application money is being called on application, all successful applications, shall be issued fully paid up shares only. Also, as on the date of this Prospectus the entire pre-issue share capital of the Company has been made fully paid up.

23. We have not issued any Equity Shares out of revaluation reserves. We have not issued any Equity Shares for consideration other than cash except as stated in this Prospectus.

24. As on date of this Prospectus, there are no outstanding ESOP's, warrants, options or rights to convert debentures, loans or other instruments convertible into the Equity Shares, nor has the company ever allotted any equity shares pursuant to conversion of ESOP's till date.

25. Our Company shall ensure that in accordance with Regulation 274 of the SEBI ICDR Regulations, transactions in the Equity Shares by our Promoters and our Promoter Group between the date of the Prospectus and the Issue Closing Date shall be reported to the Stock Exchange within 24 hours of such transaction.

26. Our Promoter and Promoter Group will not participate in the Issue.

27. Our Company has not re-valued its assets and we do not have any revaluation reserves till date.

OBJECT OF THE ISSUE

The Objects of the Issue are to:

(a) Fund expansion of manufacturing facilities at Sachin, Surat; and

(b) Fund expenditure for General Corporate Purposes.

The Company believes that, availing funds from further issue of shares to the public would be an effective source for meeting the funding requirements of the Company.

The main objects clause of our Memorandum of Association enables us to undertake the activities for which the funds are being raised by us in this Issue. Further, we confirm that the activities we have been carrying out 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
1.	Gross Proceeds from the Issue[(1)]	1,174.50
2.	Less: Issue Expenses[(2)]	65.00
3.	Net proceeds from the Issue ("**Net Proceeds**")	1,109.50

[(1)] Considering full subscription and allotment in the Issue
[(2)] The Issue expenses are estimated expenses and subject to change

Requirement of Funds and Means of Finance

We intend to utilise the Net Proceeds of ₹ 1,109.50 lakhs for financing the objects as set forth below:

(₹ in lakhs)

Sr. No.	Particulars	Total Expansion Cost	Amount to be utilised from Net Proceeds
1.	To fund expansion of manufacturing facilities at Sachin, Surat	1,043.55	1,043.55
2.	To fund expenditure for General Corporate Purposes	65.95	65.95
Total		**1,109.50**	**1,109.50**

The fund requirements mentioned above are based on the internal management estimates of our Company and have not been verified by the Lead Manager or appraised by any bank, financial institution or any other external agency. They are based on current circumstances of our business and our Company may have to revise its estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment, costs of commodities and interest or exchange rate fluctuations. Consequently, the fund requirements of our Company are subject to revisions in the future at the discretion of the management. In the event of any shortfall of funds for the activities proposed to be financed out of the Net Proceeds as stated above, our Company may re-allocate the Net Proceeds to the activities where such shortfall has arisen, subject to compliance with applicable laws. Further, in case of a shortfall in the Net Proceeds or cost overruns, our management may explore a range of options including utilising our internal accruals or seeking debt financing.

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 230(1)(e) 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.

For further details on the risks involved in our proposed fund utilization as well as executing our business strategies, please refer the "*Risk Factors – 9: The deployment of the Net Proceeds from the Fresh 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 Fresh Issue.*" on page no. 20 of this Prospectus.

DETAILS OF THE OBJECTS

I. Expansion of our manufacturing facilities at Surat, Gujarat

Our Company is a growing textile machine manufacturer dealing in twisting, cabling, winding and heat setting machines. Our Company has established itself in the domestic market and also exports its products to various countries across major continents. The current manufacturing unit of our Company is based in Sachin, Surat, Gujarat. We have an installed capacity of 154 pieces (including all machine types) per annum as on March 2019.

Our Company has shown a continuous growth and as a result our revenues have increased from ₹ 1,349.02 lakhs in F. Y. 2016-17 to ₹ 2,156.63 lakhs in F. Y. 2017-2018 and further to ₹ 3,531.07 lakhs in F. Y. 2018-19, showing an increase of 60% and 64% respectively.

Expansion Project at Sachin, Surat

To enable us to grow with the growing market and also keeping in view the increased technical advancement in the textile industry, our Company has endeavoured to increase its capacity and upgrade its technology as per the latest market. Our Company, as part of its expansion, intends to set-up a new manufacturing unit with increased installed capacity. This unit is proposed to be set-up at a parcel of land adjacent to our current manufacturing unit situated at Sachin, GIDC, Surat, Gujarat on a land admeasuring approximately 5,166 Sq. mtrs. Our Company has entered into an 'Agreement to Sell' with the current owner and an advance amount of ₹ 102.01 lakhs has been paid. The final Sale Agreement will be executed upon making the final payment.

The expansion project being set-up has an estimate budgeted expenditure of ₹ 1,043.55 lakhs and the same is being funded by Equity funds i.e. the net proceeds from this Issue.

The expansion project entails the following costs:

Sr. No.	Activities	Cost (₹ in lakhs)
1.	Land Acquisition	421.00
2.	Building and Civil Works Cost	326.25
3.	Plant and Machinery Cost	266.65
4.	Contingency Provision	29.65
Total Cost		**1,043.55**

Post commissioning of the project, the turnover of the company is expected to increase resulting in higher growth prospects and larger scale of operations.

Break-up of the Cost Estimates

1. Land Acquisition

Our Company has entered into an 'Agreement to Sell' with Mrs. Chandrika Gandhi, current owner of the piece and parcel of land situated at Industrial Plot No. 2127, GIDC, Sachin Industrial Area, Moje Unn, Surat. The land forming part of GIDC, no separate approvals are required to acquire the same. Further, we have paid an amount of ₹ 102.01 lakhs as an advance for the purchase of the said land and the balance amount will be paid once the Net Proceeds from this Issue are received. This land is adjacent to our current manufacturing unit and thus it will facilitate ease of operations and management of the units.

The details of the land acquired are as mentioned below:

Sr. No.	Details of the Seller	Premises and Area	Total Land Cost (₹ in lakhs)	Amount Paid (₹ in lakhs)
1.	Mrs. Chandrika Gandhi[(1)]	Land situated at Industrial Plot No. 2127, GIDC, Sachin Industrial Area, Moje Unn, Surat admeasuring	421.00	102.01

Sr. No.	Details of the Seller	Premises and Area	Total Land Cost (₹ in lakhs)	Amount Paid (₹ in lakhs)
		5,166 Sq. Mtrs.		

(1) *The Seller is not related to any Promoter or Director of our Company.*

2. Building and Civil Works Cost

The Building and Civil Works includes the factory building and other related civil works and is estimated at ₹ 326.25 lakhs consisting of Excavation, Ground and 1st Floor Construction based on the cost estimation dated May 02, 2019 received from Harekrishna Architects, Registered Architects.

Sr. No.	Description	Total Cost (₹ in lakhs)
1.	Work up to Plinth	54.51
2.	Above Plinth upto 22'-0" Height	170.60
3.	Roof Work First Floor	101.13
GRAND TOTAL OF BUILDING & CIVIL COST		**326.25**(1)

(1) *Any difference in the total cost mentioned in the quotation is due to rounding off.*

3. Plant and Machinery

The company proposes to install several machines for increasing its existing capacity. The total cost of Plant and Machinery is as per the respective quotations received from various vendors and is estimated at ₹ 266.65 lakhs and the same is proposed to be purchased from the vendors who have given these quotations.

We have the considered the estimates received from such vendors as on the respective dates. The actual cost of procurement and the supplier / vendor may vary based on the price as on date of actual purchase or date of placing the order. We shall not purchase any second hand machineries. None of the machine suppliers are related to our Company and its Promoters / Group Companies.

Details of the cost of Plant & Machinery are as below:

Sr. No.	Particulars	Supplier	Date of Quotation	Qty	Total Cost(1) (₹ in lakhs)
1.	TSUGAMI CNC Precision Automatic Lathe M08SY-II with standard and optional accessories	Tsugami Precision Engineering India Pvt. Ltd.	May 02, 2019	1	96.00
2.	Pre-Treatment Line for Sheet Metal Components	KSW India Private Limited	May 03, 2019	1	66.59
3.	Powder Spray Booth & Recovery Unit and Sprayright Plus with Autoclean & Realtime Sieving System.	Mitsuba Systems (India) LLP	April 11, 2019	1	13.92
4.	Shelving Racking system – Single Tier	Craftsman Automation Ltd.	May 02, 2019	1	6.28
5.	Fully Automatic Thermoplastics Injection Moulding Basic Machine with PLC – GM 120	M/s. Goyani Machines	May 15, 2019	1	16.23
6.	CNC Vertical Machining Center: VMC – 1260 P	Jyoti CNC Automation Ltd.	May 03, 2019	1	40.99
7.	Triple E Hydraulic Broaching Press	M/s. Elektromek Engineering Enterprise	May 01, 2019	1	3.30
8.	100 KVA Diesel Generator Set	M/s. Manik Diesel Services	May 04, 2019	1	7.33
9.	1 Ton EOT Crane	Paras Engineering Works	April 24, 2019	1	3.91
10.	Hydraulic Lift - Capacity – 3 Ton	M/s. D. M. Fabrication	May 03, 2019	1	5.91

Sr. No.	Particulars	Supplier	Date of Quotation	Qty	Total Cost[1] (₹ in lakhs)
11.	Chicago Pneumatic make Screw Air Compressor	M/s. Shah Enterprise	May 02, 2019	3	6.20
Total					**266.65[2]**

[1] *Includes tax at applicable rates as mentioned in the respective quotations.*
[2] *Any difference in the total cost mentioned in the quotation is due to rounding off.*

Our Company has not yet placed orders for any of the above mentioned machinery. For details, please refer the "*Risk Factors – 5: Our Company is yet to place orders for all the machinery aggregating to ₹ 266.65 lakhs required towards our proposed expansion. Any delay in placing the orders or their supply thereof may result in cost and time overrun and thereby affect our profitability*" on page no. **Error! Bookmark not defined.** of this Prospectus.

The above mentioned estimates are based on quotations received during the last two months from various vendors as mentioned above. However we have not entered into any definitive agreements with any of the above vendors and there can be no assurance that the same vendor would be engaged to eventually supply the above mentioned items at the same costs. Further, the above mentioned quantities are based on management estimates and include GST at applicable rates as per individual quotations.

4. Contingency Provision

To cover unforeseen escalation in cost of Civil Works and Plant & Machinery, contingencies have been estimated at ₹ 29.65 lakhs, which is approximately 5% of the total Building and Machinery Cost.

SCHEDULE OF IMPLEMENTATION

Our Company proposes to deploy the Net Proceeds in the aforesaid objects by the Fiscal year 2020 - 21. The detailed proposed Schedule of Implementation as estimated by the company is given below:

Schedule of Activities	Estimated Commencement Date	Estimated Completion Date
Acquisition of Land	Already Commenced	Q2 of F. Y. 2020
Building & Civil Works	Q2 of F. Y. 2020	Q4 of F. Y. 2020
Placement of order for Machinery	Q4 of F. Y. 2020	Q1 of F. Y. 2021
Installation of Machinery / Trail Production	Q1 of F. Y. 2021	Q2 of F. Y. 2021
Commercial Production	Q2 of F. Y. 2021[1]	-

[1] *Depending on regulatory permissions, the commercial production may extend upto Q3 of F. Y. 2021*

DEPLOYMENT OF FUNDS & SOURCES

We have incurred an amount of ₹ 102.01 lakhs till April 30, 2019 relating to the Objects of the Issue which has been certified by the Statutory Auditor, M/s. K. A. Sanghavi and Co. LLP, Chartered Accountants (FRN – 120846W / W100289) vide their certificate dated May 17, 2019.

The below mentioned expenses have been incurred towards acquisition of land for the proposed expansion at Sachin, Surat.

Sr. No.	Activities	Funds Deployed	F.Y. 2019-20	F.Y. 2020-21	Total Amount (₹ in lakhs)
1.	Land	102.01	318.99	-	421.00
2.	Building & Civil Works	-	326.25	-	326.25
3.	Plant & Machinery	-	143.27	123.38	266.65
4.	Contingency Provision	-	-	29.65	29.65
Total		**102.01**	**788.51**	**153.03**	**1,043.55**

The funds already deployed have been sourced from internal accruals of the Company. As per certificate dated May 17, 2019 by the Statutory Auditors, our Company's internal accruals as on March 31, 2019 is ₹ 910.21 lakhs.

Since the entire amount for the expansion project is proposed to be financed from the net proceeds of this Issue, the expenses incurred for the proposed project from internal accruals i.e. advance amount of ₹ 102.01 lakhs paid for the land as on the date of this Prospectus (as certified by the Statutory Auditors) shall be recouped from the Net Proceeds of this Issue.

II. Fund expenditure for General Corporate Purposes

Our management will have flexibility to deploy ₹ 65.95 lakhs, aggregating to 5.94% of the Net Proceeds of the Issue towards general corporate purposes, including but not restricted to strategic initiatives, partnerships, joint ventures and acquisitions, meeting exigencies which our Company may face in the ordinary course of business, to renovate and refurbish certain of our existing Company owned/leased and operated facilities or premises, towards brand promotion activities or any other purposes as may be approved by our Board, subject to compliance with the necessary provisions of the Companies Act.

Our management, in accordance with the policies of the Board, will have flexibility in utilizing any amounts for general corporate purposes under the overall guidance and policies of our Board. The quantum of utilization of funds towards any of the purposes will be determined by the Board, based on the amount actually available under this head and the business requirements of our Company, from time to time.

We confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose. Further, we confirm that in terms of Regulation 281 read with Regulation 104 (2) of the SEBI ICDR Regulations, the extent of the Net Proceeds according to this Prospectus, proposed to be used for general corporate purposes, shall not exceed 25% of the amount raised by our Company through the Issue of Equity Shares.

ISSUE RELATED EXPENSES

The total estimated Issue Expenses are ₹ 65.00 lakhs, which is 5.53% of the total Issue Size. The details of the Issue Expenses are tabulated below:

Sr. No.	Particulars	Amount (₹ in lakhs)	% of Total Expenses[(1)]	% of Total Issue size[(1)]
1.	Issue Management fees including underwriting fees and fees / payment to other intermediaries such as Legal Advisors, Registrars and other out of pocket expenses.	56.05	86.23%	4.77%
2.	Brokerage and selling commission [(1)(2)(3)]	1.00	1.54%	0.09%
3.	Advertisement, Printing & Stationery, Marketing Expenses, etc.	4.65	7.15%	0.40%
4.	Stock Exchange Fees, Regulatory and other Expenses	3.30	5.08%	0.28%
Total		65.00	100.00%	5.53%

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

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

[(3)] Further the SCSBs and other intermediaries will be entitled to selling commission of 0.01% 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.

The Issue expenses are estimated expenses and subject to change. The Issue expenses shall be payable within 30 working days post the date of receipt of the final invoice from the respective Intermediaries by our Company.

Appraisal and Bridge Loans

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Prospectus, which are proposed to be repaid from the Net Proceeds of the Issue. However, our Company has paid an advance amount of ₹ 102.01 lakhs for the land proposed to be purchased as on the date of this Prospectus 8as certified by the Statutory Auditors) and the same shall be recouped from the Net Proceeds of this Issue.

Monitoring of Utilization of Funds

Since the proceeds from the Fresh Issue do not exceed ₹ 10,000 lakhs, in terms of Regulation 281 read with Regulation 137 of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency for the purposes of this Issue. Our Board and Audit Committee will monitor the utilisation of the proceeds of the Issue. Our Company will disclose the utilization of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate investments, if any, of unutilised Net Proceeds in the balance sheet of our Company for the relevant fiscals subsequent to receipt of listing and trading approvals from the Stock Exchange.

Pursuant to the SEBI Listing Regulations, our Company shall disclose to the Audit Committee of the Board of Directors the uses and applications of the Net Proceeds. Our Company shall prepare a statement of funds utilised for purposes other than those stated in this Prospectus and place it before the Audit Committee of the Board of Directors, as required under applicable law. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the statutory auditor of our Company. Furthermore, in accordance with the Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchange on a half yearly basis, a statement indicating (i) deviations, if any, in the utilisation of the proceeds of the Issue from the objects of the Issue as stated above; and (ii) details of category wise variations in the utilisation of the proceeds from the Issue from the objects of the Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results, after placing the same before the Audit Committee of the Board of Directors.

Working Capital Requirement

Our Company currently funds its working capital needs through its internal accruals and they intend to continue to do so in the future. Hence no amount is proposed to be utilised for Working Capital from the Net Proceeds of this Issue.

Interim Use of Funds

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

Variation in Objects

In accordance with Section 27 of the Companies Act, 2013, our Company shall not vary the Objects of the Issue without our Company being authorised to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act. The notice in respect of such resolution to Shareholders shall simultaneously be published in the newspapers, one in English and one in Regional language of the jurisdiction where our Registered Office is situated. The Shareholders who do not agree to the above stated proposal, our Promoters or controlling Shareholders will be required to provide an exit opportunity to such dissenting Shareholders, at a price as may be prescribed by SEBI, in this regard.

Other Confirmations

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

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 ₹ 225 per Equity Shares and is 22.50 times of the face value. Investors should read the following basis with the sections titled "Risk Factors" and "Financial Statements" and the chapter titled "Our Business" beginning on page nos. 17, 133 and 85 respectively, of this Prospectus to get a more informed view before making any investment decisions. The trading price of the Equity Shares of our Company could decline due to these risk factors and you may lose all or part of your investments.

Qualitative Factors

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

- Quality Assurance
- Customer Centric Manufacturing
- Qualified and Experienced Management
- Cost Effective Production and Timely Fulfilment of Orders
- Strategic Location of Manufacturing Unit
- Unique Balance Sheet situation of Zero Debt (excluding vehicle loans)
- In-house R&D and Product Innovation

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. 87 of this Prospectus.

Quantitative Factors

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

1) Earnings per Share

Year ended March 31,	Basic & Diluted	
	EPS (in ₹)[(1)]	Weight (Standalone)
2019	11.50	3
2018	6.69	2
2017	4.52	1
Weighted Average		**8.73**

(1) Based on Standalone Restated Financials of our Company

Year ended March 31,	Basic & Diluted	
	EPS (in ₹)[(1)]	Weight (Consolidated)
2019	12.59	2
2018	6.31	1
Weighted Average		**10.50**

(1) Based on Consolidated Restated Financials of our Company

Notes:

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

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

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

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

3. Earnings per share calculations are in accordance with Accounting Standard 20 "Earnings per Share" prescribed by the Companies (Accounting Standard) Rules, 2006.

2) Price Earnings Ratio (P/E) in relation to the Issue Price of ₹ 225/- per Equity Share

Particulars	Standalone	Consolidated
P/E ratio based on Basic & Diluted EPS as at March 31, 2019	19.57	17.87
P/E ratio based on Weighted Average EPS as at March 31, 2019	25.77	21.43

Industry P/E	
Highest – Lakshmi Machine Works Limited	25.90
Lowest – Stovec Industries Limited	17.90
Average	**25.00**

(Source: Capital Market, Vol. XXXIV/06, May 06 –19, 2019; Segment: Textile Machinery)

3) Return on Net worth (RoNW)

Standalone

Year ended March 31,	RoNW (%)	Weight
2019	32.94%	3
2018	27.74%	2
2017	32.98%	1
Weighted Average		**31.21**

Consolidated

Year ended March 31,	RoNW (%)	Weight
2019	35.45%	2
2018	26.71%	1
Weighted Average		**32.54**

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) The minimum Return on Net Worth (RoNW) after the Issue, required to maintain pre-Issue Basic / Diluted EPS (based on Restated Financials) of for the F.Y. 2018-19 is 20.10% as per the standalone financials and 21.80% as per the consolidated financials.

5) Net Asset Value (NAV)

Financial Year	Standalone NAV (in ₹)	Consolidated NAV (in ₹)
NAV as at March 31, 2019	34.92	35.52
NAV after Issue	57.22	57.75
Issue Price	225	225

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

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

6) Comparison with Industry peers

Particulars	Face Value (₹)	EPS (₹)	P/E Ratio[2]	RONW (%)	NAV (₹)
Lakshmi Machine Works Limited	10.00	174.15	31.62	11.20%	1,582.29
Lakshmi Automatic Loom Works Limited	10.00	2.02	18.07	15.20%	12.94
Stovec Industries Limited[3]	10.00	189.48	11.56	28.01%	676.26
Source: Company Financial Results for the F.Y. 2018-19 on BSE Ltd.					
Meera Industries Limited	10.00	11.50	19.57	32.94%	34.92
Source: Standalone Restated Financials for March 31, 2019					

[1] All Peer Comparison is for Financials on Standalone Basis.
[2] Based on Closing Prices as on June 03, 2019
[3] Financial figures for Stovec Industries Limited is as per Calendar Year i.e. Jan – Dec 2018

7) The Company in consultation with the Lead Manager believes that the Issue price of ₹ 225 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 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 22.50 times of the face value i.e. ₹ 225 per share.

STATEMENT OF SPECIAL TAX BENEFITS

The Board of Directors
Meera Industries Limited
2126, Road No. 2, GIDC
Sachin, Surat – 394230

Dear Sirs,

Subject: Statement of possible special tax benefits available to Meera Industries Limited ("the Company") and shareholders prepared in accordance with applicable requirements of the SEBI (ICDR) Regulations, 2018 ("SEBI ICDR Regulations")

We hereby report that the accompanying Statement states the possible special tax benefits available to the Company and shareholders of the Company (hereinafter referred to as "**the Statement**") under the Income Tax Act, 1961 (read with Income Tax Rules, circulars, notifications) as amended by the Finance Act, 2019 presently in force in India (together referred to as the "**Direct Tax Laws**") and the Goods and Service Tax Act, 2017 & Customs Act, 1962 (read with rules, circulars, notifications) presently in force in India (together referred to as the "**Indirect Tax Laws**").

These possible special tax benefits are dependent on the Company and / or the Company's shareholders fulfilling the conditions prescribed under the relevant Tax Laws, Indirect Tax Laws and other laws. Hence, the ability of the Company or the Company's shareholders to derive these possible special tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company or the Company's shareholders may or may not choose to fulfil.

The benefits discussed in the enclosed Statement are not exhaustive and only cover the possible special direct and indirect tax benefits available to the Company and the Company's shareholders. The Statement is neither designed nor intended to be a substitute for professional tax advice and each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed further public offering of equity shares of the Company.

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

a) the Company or its shareholders will continue to obtain these possible special tax benefits in future; or

b) the conditions prescribed for availing the possible special tax benefits, where applicable, have been/would be met with; and

c) the revenue authorities/courts will concur with the views expressed herein.

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

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 change from time to time. We do not assume responsibility to update the views consequent to such changes.

We conducted our examination in accordance with the "Guidance Note on Reports or Certificates for Special Purposes (Revised 2019)" ("**Guidance Note**") issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

We hereby give consent to include this Statement in the Draft Prospectus and Prospectus in connection with the proposed further public offering of the Company.

Yours faithfully,

For, K A Sanghavi & Co. LLP,
Chartered Accountants,
(Firm Reg. No: 120846W/W100289)

Amish Ashvinbhai Sanghavi
Designated Partner
(M. No.: 101413)

Place: Surat
Date: May 17, 2019

Annexure

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND COMPANY'S SHAREHOLDERS

Outlined below are the possible special tax benefits available to Meera Industries Limited **("the Company")** and to its Shareholders under the direct and indirect tax laws in force in India (i.e. applicable for the Financial Year 2019-20 (relevant to the Assessment Year 2020 – 21).

A. DIRECT TAXATION

The information provided below sets out the possible direct tax benefits available to the Company and its shareholders in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of the equity shares of the Company ("Equity Shares"), under the current tax laws presently in force in India. Several of these benefits are dependent on the Company and its shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence the ability of the shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which, based on commercial imperatives a shareholder faces, may or may not choose to fulfill. The following overview is not exhaustive or comprehensive and is not intended to be a substitute for professional advice.

INVESTORS ARE ADVISED TO CONSULT THEIR OWN TAX CONSULTANT WITH RESPECT TO THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN THEIR PARTICULAR SITUATION.

Our views expressed in this statement are based on the facts and assumptions as indicated in the statement. 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 change from time to time. We do not assume responsibility to update the views consequent to such changes. Reliance on this statement is on the express understanding that we do not assume responsibility towards the investors who may or may not invest in the proposed issue relying on this statement.

This statement has been prepared solely in connection with the offering of Equity Shares by the Company under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

I. Special tax benefits available to the Company

There are no special direct tax benefits available the Company except as mentioned below;

Meera Industries Limited having in-house research and development center recognized by department of Scientific and Industrial Research (DSIR), Government of India and the company is eligible to take tax benefits in relation to research and development expenditure Under Section 35 of the Income tax Act, 1961.

II. Special tax benefits available to Shareholders

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

NOTES:

1. The above position is as per the current tax law as contained in Finance Act, 2019.

2. This statement does not discuss any tax consequences in the country outside India of an investment in the Equity Shares. The shareholders / investors in any country outside India are advised to consult their own professional advisors regarding possible Income tax consequences that apply to them.

B. INDIRECT TAXATION

Benefits available under the Central Goods and Service Act, 2017, The State Goods and Services Act, 2017 and the Integrated Goods and Service Act, 2017 (together referred to as "GST Law"):

I. Special tax benefits available to the Company

No Special Tax benefit is available to the company under GST Law.

II. Special tax benefits available to Shareholders

There are no special tax benefits is available to the shareholders under GST Law.

SECTION V – ABOUT THE COMPANY

INDUSTRY OVERVIEW

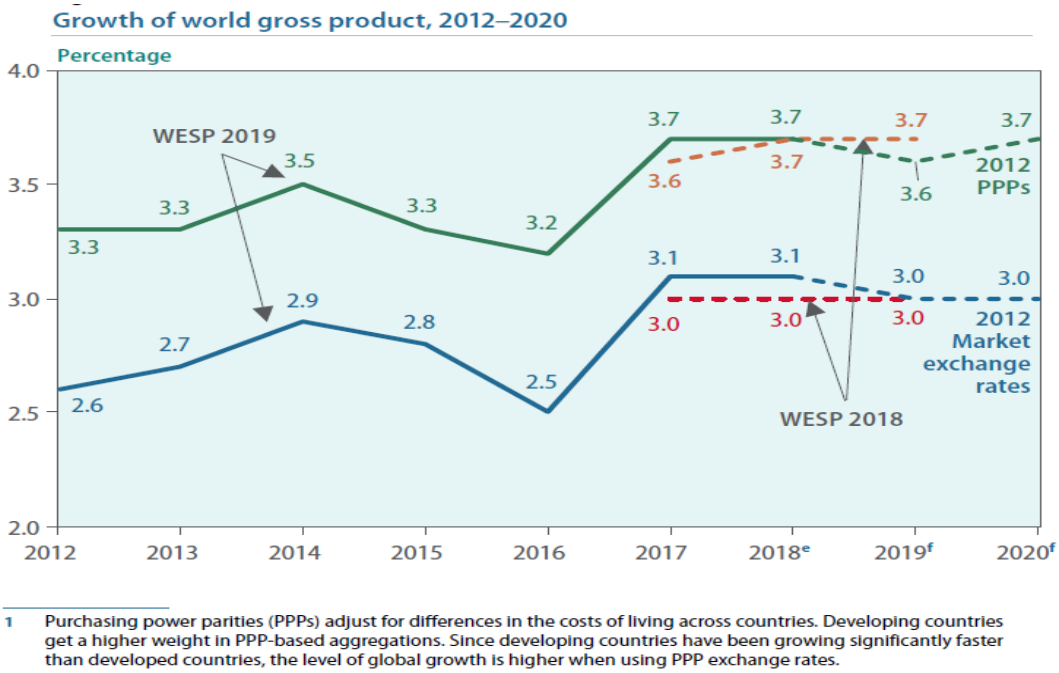
GLOBAL ECONOMIC OVERVIEW

The world economy is projected to expand at a steady pace of 3 per cent in 2019 and 2020. Growth rates in many developed economies have risen near to what is widely considered their potential, while unemployment rates have fallen towards historical lows. Among the developing economies, the East and South Asia regions remain on a strong growth trajectory, while many commodity-exporting countries are continuing a gradual recovery. However, a closer look below this surface reveals significant shortcomings in the foundations and quality of global economic growth.

Short-term risks are rising, with the potential to severely disrupt economic activity and inflict significant damage on longer-term development prospects. These include escalating trade disputes, financial stress and volatility, and an undercurrent of geopolitical tensions. Amid the significant build-up in global public and private debt, policy space has narrowed considerably across the world, and any negative shock could have severe and long-lasting implications for global growth. Waning support for multilateralism also raises questions around the capacity for collaborative policy action in the event of a widespread global shock.

These short-term risks compound underlying structural vulnerabilities of a longer term nature. Economic growth is often failing to reach where it is needed most. Per capita incomes are stagnant or declining in several regions, including some with high rates of poverty. With persistently high levels of inequality, the goal of poverty eradication by 2030 is moving increasingly out of reach. In addition, the critical transition towards environmentally sustainable patterns of production and consumption is not happening fast enough. While some progress has been made in reducing the greenhouse gas intensity of production, this progress remains insufficient to reduce aggregate emission levels, given the increased volume of production. The level of carbon emissions continues to rise, accelerating climate change. In 2018, global economic growth remained steady at 3.1 per cent when calculated at market exchange rates, or 3.7 per cent when adjusted for purchasing power parities. A fiscally induced acceleration in the United States of America offset slower growth in some other large economies, including Argentina, Canada, China, Japan, Islamic Republic of Iran, Turkey and the European Union (EU). Despite these slowdowns, economic growth accelerated in more than half of the world's economies in both 2017 and 2018.

There are growing signs that global growth may have reached a peak. Estimates of global industrial production and merchandise trade growth have been tapering since the beginning of 2018, especially in trade-intensive capital and intermediate goods sectors, signalling weaker investment prospects.



1 Purchasing power parities (PPPs) adjust for differences in the costs of living across countries. Developing countries get a higher weight in PPP-based aggregations. Since developing countries have been growing significantly faster than developed countries, the level of global growth is higher when using PPP exchange rates.

Source: UN/DESA
Note: e= estimates, f= forecast
(*Source:* "World Economic Situation and Prospects 2019" by United Nations)

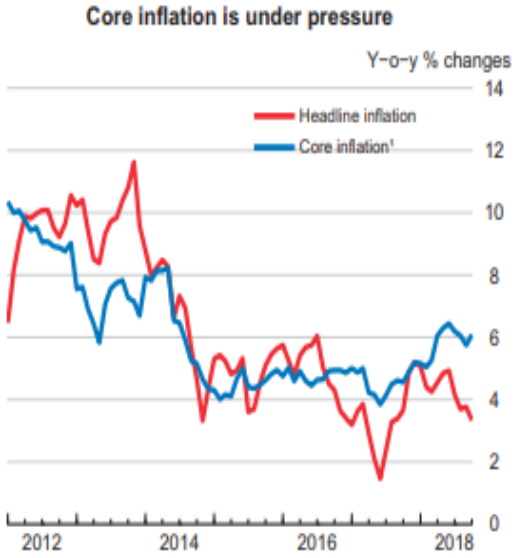
INDIAN ECONOMY OVERVIEW

Economic growth will slow somewhat but remain robust, at close to 7½ per cent in 2019 and 2020. Higher oil prices and the rupee depreciation are putting pressure on demand, inflation, the current account and public finances. However, business investment and exports will be strong, as past structural reforms – including the new Insolvency and Bankruptcy Code, smoother implementation of the Goods and Services Tax (GST), better roads and electricity and bank recapitalisation – are paying off.

Monetary policy will need to be tightened as inflation expectations are trending up and there are several upside risks to inflation. Containing the relatively high public debt-to-GDP ratio would require controlling contingent liabilities, such as those stemming from public enterprises and banks. Further subsidy reform would help make social spending more effective. Improving public banks' governance is also key to avoid a new wave of non-performing loans and to support the investment recovery.

Investment is growing steadily, driven by the gradual increase in capacity utilisation, large infrastructure programmes and recent structural reforms which are supporting investors' confidence, in particular the new Insolvency and Bankruptcy Code and public bank recapitalisation. The rebound in exports is supported by a weaker rupee and an easier-to-comply-with Goods and Services Tax. Private consumption remains strong, in particular in rural areas where incomes are benefitting from the good monsoon and steady government spending on rural roads, housing and employment programmes.

Consumer price inflation remains within the target band, partly reflecting one-off factors, such as a good monsoon, lower excise taxes on oil products and the government's request to public-sector oil marketing companies to lower their margins. However, pressures on inflation are rising from the rupee depreciation and recent increases in wages and housing allowances for public employees. Core inflation and inflation expectations are edging up.



1. Core inflation excludes food, beverages and fuel.
Source: OECD Economic Outlook 104 database; and Central Statistics Office.

India: **Demand, output and prices**

	2015	2016	2017	2018	2019	2020
	Current prices INR trillion	Percentage changes, volume (2012/2013 prices)				
GDP at market prices	137.6	7.1	6.7	7.5	7.3	7.4
Private consumption	80.9	7.3	6.6	7.2	7.4	7.4
Government consumption	14.3	12.2	10.9	7.0	7.3	5.3
Gross fixed capital formation	39.2	10.1	7.6	6.2	6.0	8.6
Final domestic demand	134.4	8.6	7.3	6.9	7.0	7.5
Stockbuilding[1]	6.4	-1.2	0.0	0.1	0.0	0.0
Total domestic demand	140.8	6.9	8.1	8.3	6.9	7.5
Exports of goods and services	27.3	5.0	5.6	8.9	4.5	6.3
Imports of goods and services	30.4	4.0	12.4	12.0	3.4	6.9
Net exports[1]	- 3.2	0.1	-1.5	-0.9	0.1	-0.3
Memorandum items						
GDP deflator	_	3.5	3.1	4.9	4.7	4.3
Consumer price index	_	4.5	3.6	4.5	5.0	4.5
Wholesale price index[2]	_	1.7	2.9	4.8	4.6	4.3
General government financial balance[3] (% of GDP)	_	-7.0	-6.6	-6.4	-6.2	-6.0
Current account balance (% of GDP)	_	-0.6	-1.9	-2.1	-2.8	-3.0

Note: Data refer to fiscal years starting in April.
1. Contributions to changes in real GDP, actual amount in the first column.
2. WPI, all commodities index.
3. Gross fiscal balance for central and state governments.
Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933877791

The current account deficit is increasing, driven by India's growth differential with other economies and higher oil prices. Financing the deficit is becoming more challenging as foreign direct investment inflows are sluggish and portfolio capital is being pulled out by higher yields in advanced economies. The government has hiked import duties to limit the current account deficit and lessened constraints on firms' external borrowing. The depreciation of the real effective exchange rate remains moderate. External vulnerability is now less of a concern than in previous episodes of financial turmoil as macroeconomic fundamentals have improved and foreign exchange reserves have been replenished.

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

GLOBAL TEXTILE INDUSTRY AND MARKET GROWTH

Growing apparel consumption globally is expected to drive future growth of textile manufacturing

The global textile & apparel industry will continue to grow along with growing consumption of textile and apparel products in developing countries and a gradual economic recovery of major developed markets. The growth of conventional textile products including apparel and home textiles is majorly driven by apparel segment which constitutes majority share of total demand. As the market continues to evolve, new consumption centres for apparel and home textiles are emerging.

Table1 Apparel Market Size (US$ Bn)

Region	2013	2020	CAGR
EU 27	355	410	2%
China	165	365	12%
USA	230	315	5%
Japan	110	125	2%
India	46	104	12%
Russia	45	85	10%
Brazil	60	75	3%
Canada	30	35	2%
Australia	25	30	3%
RoW	80	100	3%
Global	**1,146**	**1,644**	**5%**

(Source: The Edge Investment Opportunity for Textile Machinery Manufacturing in India)

While the apparel market is still largely dominated by EU & USA, countries like China, India and Russia are emerging as future destinations for apparel consumption. The high growth of those markets will primarily be driven by the large increase in population and increased per capita spending on apparel.

Growing textile & apparel trade also augurs well for the supplying countries

Global textile and apparel trade is expected to grow at a rate of ~6% from the present value of US$ 770 Bn to US$ 1,180 Bn by 2020. Presently, apparel constitutes more than half of the share of the global textile and apparel trade followed by fabric and yarn. Growth in global trade will bring about investments in the countries having strong supply base for apparel and textile products. India will be one of the major gainers from investment point of view.

TEXTILE INDUSTRY AND MARKET GROWTH IN INDIA

Introduction

India’s textiles sector is one of the oldest industries in Indian economy dating back several centuries. India's overall textile exports during FY 2017-18 stood at US$ 39.2 billion. The Indian textiles industry is extremely varied, with the hand-spun and hand-woven textiles sectors at one end of the spectrum, while the capital intensive sophisticated mills sector at the other end of the spectrum. The decentralised power looms/ hosiery and knitting sector form the largest component of the textiles sector. The close linkage of the textile industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles make the Indian textiles sector unique in comparison to the industries of other countries. The Indian textile industry has the capacity to produce a wide variety of products suitable to different market segments, both within India and across the world.

Market Size

The Indian textiles industry, currently estimated at around US$ 150 billion, is expected to reach US$ 250 billion by 2019. India’s textiles industry contributed seven per cent of the industry output (in value terms) of India in 2017-18.It contributed two per cent to the GDP of India and employs more than 45 million people in 2017-18.The sector contributed 15 per cent to the export earnings of India in 2017-18. The production of raw cotton in India is estimated to have reached 34.9 million bales in FY18^.

Investment

The textiles sector has witnessed a spurt in investment during the last five years. The industry (including dyed and printed) attracted Foreign Direct Investment (FDI) worth US$ 2.97 billion during April 2000 to June 2018. Some of the major investments in the Indian textiles industry are as follows:

- In May 2018, textiles sector recorded investments worth Rs 27,000 crore (US$ 4.19 billion) since June 2017.

- The Government of India announced a Special Package to boost exports by US$ 31 billion, create one crore job opportunities and attract investments worth Rs 800.00 billion (US$ 11.93 billion) during 2018-2020. As of August 2018, it generated additional investments worth Rs 253.45 billion (US$ 3.78 billion) and exports worth Rs 57.28 billion (US$ 854.42 million).

Government Initiatives

The Indian government has come up with a number of export promotion policies for the textiles sector. It has also allowed 100 per cent FDI in the Indian textiles sector under the automatic route.
Initiatives taken by Government of India are:

- The Directorate General of Foreign Trade (DGFT) has revised rates for incentives under the Merchandise Exports from India Scheme (MEIS) for two subsectors of Textiles Industry - Readymade garments and Made ups - from 2 per cent to 4 per cent.

- As of August 2018, the Government of India has increased the basic custom duty to 20 per cent from 10 per cent on 501 textile products, to boost Make in India and indigenous production.

- The Government of India announced a Special Package to boost exports by US$ 31 billion, create one crore job opportunity and attract investments worth Rs 80,000 crore (US$ 11.93 billion) during 2018-2020. As of August 2018 it generated additional investments worth Rs 25,345 crore (US$ 3.78 billion) and exports worth Rs 57.28 billion (US$ 854.42 million).

- The Government of India has taken several measures including Amended Technology Up-gradation Fund Scheme (A-TUFS), scheme is estimated to create employment for 35 lakhs people and enable investments worth Rs 95,000 crore (US$ 14.17 billion) by 2022.

- Integrated Wool Development Programme (IWDP) approved by Government of India to provide support to the wool sector starting from wool rarer to end consumer which aims to enhance the quality and increase the production during 2017-18 and 2019-20.

- The Cabinet Committee on Economic Affairs (CCEA), Government of India has approved a new skill development scheme named 'Scheme for Capacity Building in Textile Sector (SCBTS)' with an outlay of Rs 1,300 crore (US$ 202.9 million) from 2017-18 to 2019-20.

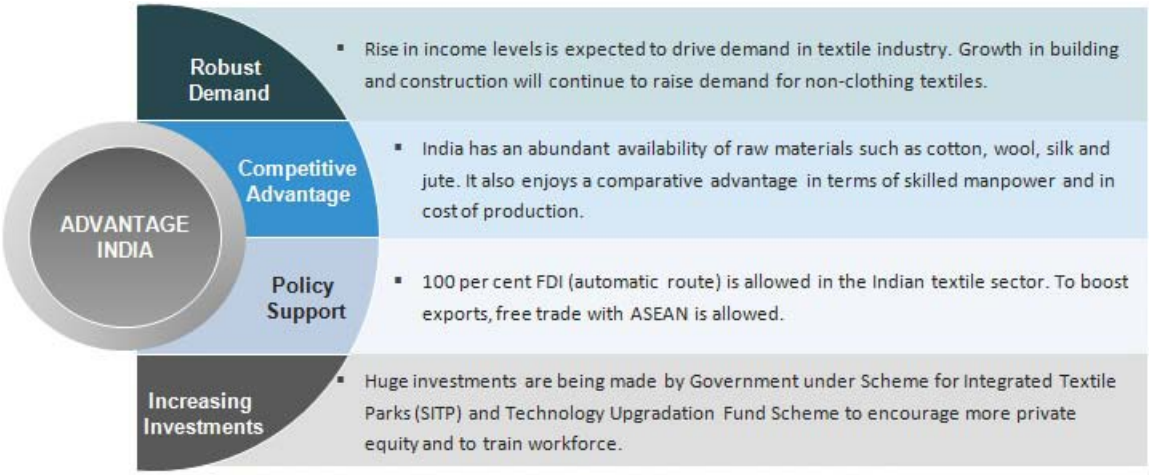
Achievements

Following are the achievements of the government in the past four years:
- I-ATUFS, a web-based claims monitoring and tracking mechanism was launched on April 21, 2016.
- 381 new block level clusters were sanctioned.
- 20 new textile parks were sanctioned.
- Employment increased to 8.62 million in FY18 from 8.03 in FY15.

Road Ahead

The future for the Indian textile industry looks promising, buoyed by both strong domestic consumption as well as export demand. With consumerism and disposable income on the rise, the retail sector has experienced a rapid growth in the past decade with the entry of several international players like Marks & Spencer, Guess and Next into the Indian market.

High economic growth has resulted in higher disposable income. This has led to rise in demand for products creating a huge domestic market.



Note: SITP - Scheme for Integrated Textile Park, ASEAN - Association of Southeast Asian Nations

(Source: https://www.ibef.org/industry/textiles.aspx)

GLOBAL TEXTILE MACHINERY INDUSTRY

Global Textile machinery market is witnessing tremendous growth buoyed by growing demand of textile & apparel market. It is forecasted to grow at a CAGR of 14.02% till 2018. The major countries manufacturing textile machinery are Germany, Italy, Switzerland, France and now China. The textile technologies are available in two version low cost (semi auto) mostly manufactured in China and high cost (auto) in developed countries.

The global demand of textile machinery is rising due to growing demand of textile industry. Today, Textile machinery sourcing is majorly done from European or Japanese countries, which are relatively costly. According to industry reports, global automation market in the textile industry by hardware & software is estimated to grow with a CAGR of 7% till 2021. In Asia the automation market in textile industry is growing with a CAGR of 6.33%.

(Source: http://www.textilevaluechain.com/index.php/article/technical/item/1605-textile-machinery-scenario-in-india)

INDIAN TEXTILE MACHINERY INDUSTRY

Introduction

The textile machinery manufacturing section is one of the largest segments of the machinery manufacturing industry in India. This industry is nearly sixty years old and has about 1000 machinery and component manufacturing units. Nearly 300 units produce complete machinery and the remaining produces various textile machinery components. The total investment in this industry is around 2000 Crores. However, not all the units work to full capacity or even the optimum capacity level. Except for the units in the spinning sector where the machineries are of international standards; in the other sectors, machinery manufacturing for weaving, knitting and wet-processing lack standard of quality and performance (in most of the cases) to compete with the European manufacturers. In the weaving sector, shuttleless weaving machinery (rapier or jet) and in the knitting sector (circular knitting and flat knitting) machineries hardly have any presence in the industry.

The machinery manufacturing operation takes place both in the organised and the unorganised sectors. In the organised sector, in addition to the public limited companies, machinery manufacturing is done in independent units, which have collaborative joint ventures with the foreign entities. In the decentralized sector, there are small-scale industrial units as well as tiny units engaged in the production of accessories pertaining to the textile machinery.

Textile Engineering Goods Industry classified as follows:

- Ginning & pressing machines
- Spinning & allied machines
- Synthetic filament yarn machines
- Weaving and allied machines
- Processing machines
- Hosiery/RMG machines
- Textile testing equipment
- Multiple segments (combination of the above)
- Accessories and parts
- Others

Majority of the production comes from the States of Tamil Nadu and Gujarat; collectively contributing around 84 per cent of the production. Around 87 per cent of the total production, i.e., textile machinery is coming from the six clusters namely Ahmedabad, Bangalore, Coimbatore, Ludhiana, Mumbai and Surat. These clusters are strategically located to serve the textile industry and have the affiliation to produce the kind of machinery required by the industry. Ahmedabad is a cluster of weaving.

(*Source: http://india-itme.com/pdfs/Textile_Machinery_Market.pdf)*

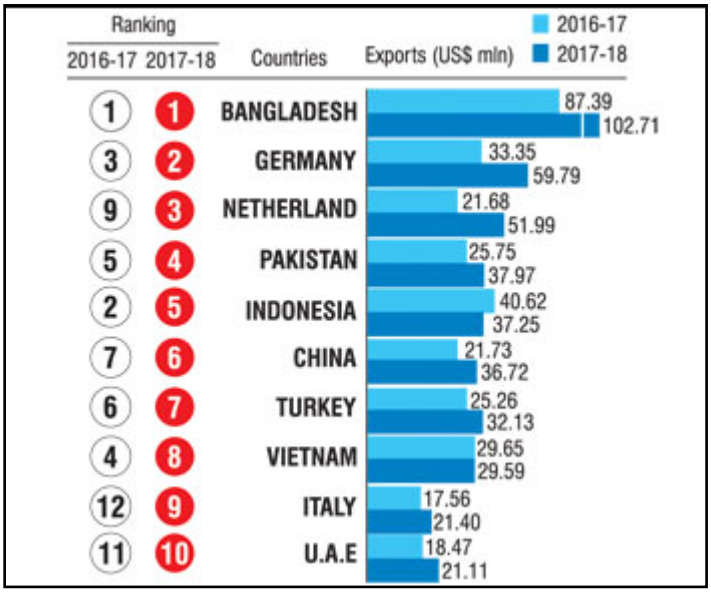
The textile sector is one of the largest contributors to India’s exports, accounting for approximately 11 per cent of the total outbound shipments. India's overall textile exports during FY16 stood at USD 40 billion and is expected to reach USD 223 billion by 2021.

The textile machinery manufacturing section is one of the important segments of the industry in India and with the Government's initiatives like 'Make in India' and incentives for manufacturing sector, we expect the size of India's textile machinery industry to touch ₹ 32,000-35,000 crore in the next five years from the present ₹ 22,000 crore.

(Source: https://economictimes.indiatimes.com/industry/cons-products/garments-/-textiles/textile-machinery-industry-to-touch-rs-35000-crore-in-5-years/articleshow/55693076.cms?from=mdr)

Textile Machinery Scenario in India

India's textile machinery trade balance with the world has gone up by 16.62% to US$ 4766.78 million in 2017-18. India's imports which takes the lion's share of 84% from the total has registered a growth of 16.02% to US$ 4027.29 million compared to the previous fiscal. China, Japan, Germany, Italy, Switzerland, Belgium, Vietnam, the Philippines, Korea and Singapore are the top ten import markets of India. On the other side, the textile machinery exports from India to the world registered a growth of 20.03% to US$ 739.49 million in 2017-18. The top ten export markets for India's textile machinery are Bangladesh, Germany, the Netherlands, Pakistan, Indonesia, China, Turkey, Vietnam, Italy and U.A.E.



(*Source: https://www.textileexcellence.com/news/economy/indias-textile-machinery-exports-up-by-20-03-in-2017-18/)*

The Indian textile Machinery industry is nearly sixty years old and has more than 1000 machinery and component manufacturing units. Nearly 300 units produce complete machinery and the remaining produces various textile machinery components. We all know that India is the global leader in textiles only second after China. We are having best quality of cotton and producing finest quality of yarns, fabrics & garments. But unlike China we do not have in house manufacturing of textile machineries. Most of the machineries are being imported.

Today, Textile machinery sourcing is majorly done from European or Japanese countries, which are relatively costly. India is strategically located from most of major textile & apparel producing countries and India has good potential to explore global opportunities & tap global market. India has to first focus on exports to the neighbouring countries which are emerging as significant textile producers.

As reported by technavio research agency global automation market in the textile industry by hardware & software is estimated to grow with a CAGR of 7% till 2021. In Asia the automation market in textile industry is growing with a CAGR of 6.33%. As we are global leaders in Textiles next to China, we must also develop textile machinery manufacturing hub that will not only suffice our own country's need but also source machinery to international market increasing our exports. There is a tremendous growth for machinery market worldwide and so it is time for India to capture and en-cash on this opportunity.

(Source: http://www.textilevaluechain.com/index.php/article/technical/item/1605-textile-machinery-scenario-in-india)

Textile Machinery Exports

The textile machinery exports from India to the world have witnessed a remarkable growth of 20.03% to US$ 739.49 million in 2017-18 over the previous fiscal year, where the machinery exports totalled to US$ 616.08 million with growth of 1.7% (2016-17), whereas in 2015-16 India had witnessed a negative growth of -1.5%.

From 2012-13 to 2017-18, textile machinery exports have perceived a growth of 68.5%. Spinning, twisting and yarn preparation machines shares the lion's portion of 35% from the total textile machinery exports, with an export value of US$ 255.15 million in 2017-18. Bangladesh is the topmost export market for India's textile machinery. The country's exports to Bangladesh totalled US$ 102.71 million. Region wise, Asia is the largest market for Indian textile machinery, accounting for 55% share of total textile machinery exports. Spinning, twisting and yarn preparation machines under the HS code 8445 are the topmost commodity exported with an export value of US$ 255.15 million. This commodity has consistently been the topmost commodity from 2014-15. Under this commodity, cotton spinning ring frames accounts for a 59% share. Exports totalled US$ 150.16 million in 2017-18 with a growth of 26.7%. Cotton spinning ring frame machines where majorly exported to the Netherlands with value of US$ 32.83 million. Other important markets for India's ring frames are Bangladesh (US$ 28.77 million), Pakistan (US$ 25.27 million), Malaysia (US$ 12.73 million) and Indonesia (US$ 9.17 million).

Asia is the largest export market for India's textile machinery. India has exported US$ 403.54 million worth of textile machines to Asia in 2017-18 with a growth of 9.07% and share of 55% from the total textile machinery exports. India's exports to Europe has seen remarkable growth of 51.4% totaling US$ 190.25 million and stakes 26% share from the total textile machinery exports. Auxiliary machines were majorly exported to Europe in the last fiscal year. The commodity's exports totalled to US$ 58.47 million with a growth of 27.9%. The second topmost commodity exported is the spinning, twisting and yarn preparation machines with an export value of US$ 58.38 million, growth of 91.85%. Africa is the third largest export market for Indian textile machinery, accounting for 10% of India's total textile machinery exports. In 2017-18, exports to Africa grew 42.03% to US$ 75.39 million. Printing machines including digital printing machine were the largest exported product in 2017-18, with an export value of US$ 24.59 million. Exports to America totalled US$ 48.47 million and accounted for 7% of India's total textile machinery exports. Exports to CIS & Baltics totalled US$ 21.65 million sharing 3% from the total.

(*Source: https://www.textileexcellence.com/news/economy/indias-textile-machinery-exports-up-by-20-03-in-2017-18/*)

Textile Machinery Imports

India's textile industry remains heavily dependent on imported technology. Textile machinery imports to India from the world have witnessed an upward trend with growth of 16.02% totalling US$ 4027.29 million in 2017-18 over the previous fiscal year. In 2016-17 the country had witnessed a negative growth of - 5.31% totalling to US$ 3471.23 million. Printing machinery, including digital printing machines is the topmost commodity imported by India, accounting for 35% of total textile machinery imports. In 2017-18, textile printing and allied machinery imports amounted to US$ 1414.16 million, up by 14.22% compared to the previous fiscal. China is the topmost supplier to India. China's exports to India totalled US$ 1594.08 million. Region wise, Asia accounts for 68% share of India's textile machinery imports.

Printing machinery, including digital printing machines is the topmost commodity imported by India with a value of US$ 4,027.29 million with a growth of 14.22% and shares 35% from the total textile machinery imports. This commodity has consistently been the topmost commodity from 2012-13 to 2017-18. Extruding, drawing, texturing machines (HS code 8444) has witnessed an incredible growth of 500.31% totalling to US$ 137.41 million in 2017-18 over the previous fiscal year where the imports totalled to US$ 22.89 million. Currently the commodity stakes 3% share from the total imports of textile machinery. Imports from Germany at US$ 75.31 million in 2017-18 grew 734.92% and accounted for 55% of the total imports of the commodity.

India has witnessed an increase in imports from Italy with growth of 18.23% totalling to US$ 236.47 million in 2017-18. Italy exported printing machinery; including digital printing machines the most to India with value of US$ 61.95 million. Imports totalled US$ 269.5 million. Textile machinery imports from America totalled to US$ 64.88 million with a growth of 8.71% in 2017-18.

(*Source:* *https://www.textileexcellence.com/news/economy/indias-textile-machinery-exports-up-by-20-03-in-2017-18/*)

India will need to increase its machinery production capacity significantly to fulfil the supply demand gap by 2020

In light of the capacity addition and replacements required in future for all the segments of textile value chain, India will have to put emphasis on increasing its textile machinery production capacity to fill the huge supply demand gap as imports of machinery is not a sustainable solution in long term, specifically, to cater to such high demand in future.

The demand of spindles is expected to be more than 3 times the current production by 2020 while shuttle less looms will have much higher demand i.e. more than 17 times the present supply.

Figure 22: Spinning machinery (Mn spindles)

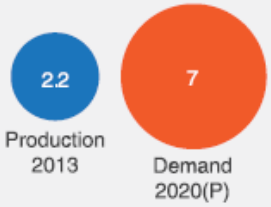


Figure 23: Weaving machinery # (units)

Knitting sector is on-looking a gigantic increase in requirement of machinery as compared to spinning, weaving and sewing machinery by 2020. The demand of knitting machines is expected to be almost 75 times of the present demand. Sewing machinery market is expecting a demand increment similar to shuttle less looms to become 13 times the present demand by 2020. It is important to mention here that the production of industrial knitting and sewing machinery is insignificant in India presently.

(Source: The Edge Investment Opportunity for Textile Machinery Manufacturing in India)

US$75Bn investments in machinery required by 2020

In value terms, textile and apparel manufacturers would need to invest US$ 75Bn in textile machinery in India by 2020, out of which US$ 50 Bn will be required for new machinery to cater to the additional market demand and US$ 25Bn will be required for replacing the existing machinery.

Yarn manufacturing (spun and filament), weaving and processing machinery will attract ~ 85% of the overall investments in value terms, with almost equal contribution from each. With increasing scale of textile and apparel manufacturing in India, the organized mill sector is growing fast and a large part of this additional demand for machinery will be driven by the investment by organized/large mills. This will further drive the demand for modern high technology machines and offer an attractive market for leading textile machinery manufacturers globally.

Table 7: Segment wise machinery investments required by 2020

Machinery Category	Additional Investment required by 2020 (US$ Bn)		Total (US$ Bn)
	New Machinery	Replace-ments	
Yarn Manufacturing (Spun+ Filament)	16	6	22
Weaving	12	11	23
Knitting	2	0.5	2.5
Processing	13	6	19
Sewing (Garment & madeups)	2	1	3
Technical textiles	5	0.5	5.5
Total	50	25	75

(Source: The Edge Investment Opportunity for Textile Machinery Manufacturing in India)

Advantage India

Except spinning, majority of the textile and apparel machinery demand of India is being fulfilled through imports, especially for investments in latest technology machines by large / organized mills. With a growing market and manufacturing scenario in India, textile machinery manufacturing in India will become more attractive and beneficial. Following are some of the reasons:

India's strong and improving manufacturing competitiveness

Over the years, India has established a strong and vertically integrated supply chain in textile and apparel manufacturing and has become one of the leading manufacturing destinations for textile and apparel in the world. India continues to be a competitive manufacturing destination for textiles as manufacturing costs in competing countries have increased.

India is fairly competitive in costs of manufacturing compared to most countries. Even though Bangladesh and Pakistan have lower costs than India, it is still beneficial to manufacture in India due to bigger domestic market, better compliance adherence and political stability. India also has a large and skilled manpower base apart from several Government incentives for manufacturing textiles. With improving infrastructure and Government support, manufacturing of textile and apparel will become more competitive in India.

Table 8: Average Cost Comparison of India with Competing Countries

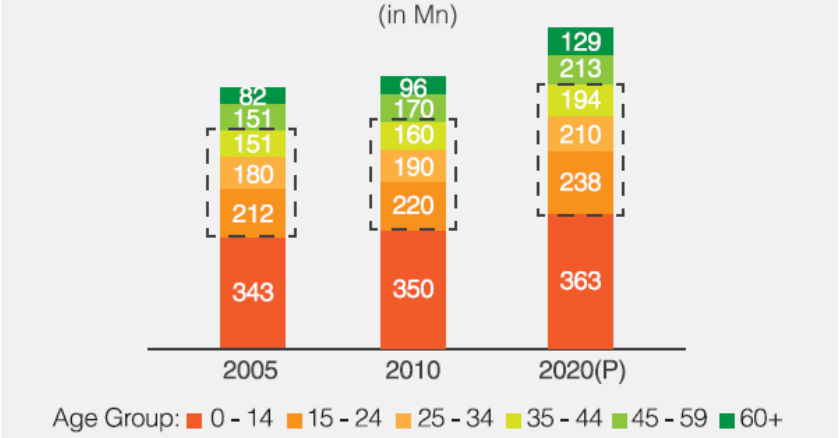
Parameters	India	Bangla-desh	Indo-nesia	Egypt	China	Paki-stan	Turkey
Labour Wages (US$/month)	135	87	226	226	328	127	839
Power Rate (US cents/Kwh)	11.29	8.13	8.51	3.49	12.29	10.62	10.24
Raw Water Cost (US cents / m3)	39.57	29.26	49.19	10.48	53.26	25.67	30.73
Steam (US cents / Kg)	1.44	1.3	1.16	1.75	1.64	1.24	2.1
Capital Interest Rates %	8	13	9	11.5	5.6	7	10

(Source: The Edge Investment Opportunity for Textile Machinery Manufacturing in India)

Costs in China are rising

There is no doubt in the fact that China has been a strong manufacturing base in recent years but the production costs in China are rising at a faster rate than other developing countries. Increase in manpower cost is the major factor which will impact cost of machinery manufacturing as well. India has very favourable demographics with a young population base. 60% of population in India falls in the age group of 15-59 years and 49% of population is less than 25 years. More number of people would be added in the productive age group of 20 – 60 years leading to abundant availability of skilled work force. The favourable demographics and relatively lower wage cost make India as one of the favourable destinations for manufacturing machinery.

Figure 26: Population Segmentation of India (in Mn)



(Source: The Edge Investment Opportunity for Textile Machinery Manufacturing in India)

Better service & availability of spare parts

Apart from the cost advantage, manufacturing in India will give significant competitive advantage to the global machinery manufacturers in providing better service to buyers, especially in terms of spare parts.

Once machinery manufacturers decide to set up their unit in India, spare parts suppliers will also follow them. Even many Indian companies will also start manufacturing the machinery parts looking at the potential future demand

size. Similar scenario has already been observed in automobile industry. Once spare parts availability becomes easier and quicker, it will also help in increasing market size of those machineries.

Export potential of textile machineries

Indian subcontinent is increasingly becoming dominant in textile and apparel manufacturing. India also has signed bilateral and multilateral treaties with different countries that have significant presence in textile manufacturing. As the cost of manufacturing in China is increasing, India is coming out to be the export hub for this region for different product categories including automobiles. Similar potential exist for textile machinery as well. In cost of manufacturing of spinning machineries, India is already one of the lowest if not least. Present textile machinery manufacturers are already exporting all over the world and the fresh investment in this sector will scale it up many times.

Indian Government supporting indigenous machinery manufacturing

Government of India has recently proposed a drive in favour of indigenous manufacturing and taking several policy decisions to make its 'Make in India' campaign successful. Following action points have been proposed by the expert committee in their draft 'Vision, Strategy and Action Plan' document prepared for Indian textile sector. All of those once implemented will motivate the textile and apparel manufacturers to purchase machineries made in India only.

- Incentives under Scheme of Hire-Purchase and TUFS in specific segments should be made available only on indigenous machinery after period of 3 years.

- Import of second hand machinery should not be encouraged except in case of select machinery.

- Basic customs duty of complete machinery should be at least 5% higher than that on raw material and components. As per the union budget 2014- 15, Indian Government has offered benefits for capital goods manufacturing in India with investment allowance at the rate of 15% to a manufacturing company that invests more than INR 25 crores in new plant and machinery.

Challenges for textile and apparel machinery manufacturing in India

While there is a huge opportunity for tapping the Indian textile machinery market, there are also a few challenges that need to be tackled in order to gain sustainable growth.

- Several textile manufacturers prefer to purchase second hand machinery to replace their old/worn out machinery as it is available on lesser prices than new machinery. However, with increasing quality consciousness and increasing share of organized sector, demand of state-of-the-art new machineries is increasing looking at the long term benefits.

- The vendor base for spares and technology components for modern machines is not very strong in India now. Hence, a large part of it might need to be imported from other countries till a strong vendor base is developed.

- Product basket of India is very much diversified, which require different machine specification and technology. Moreover, the machinery preferred by organized sector and small & medium enterprises is very different. Different technology levels are also used for supplying to domestic and export markets. So, the overall market size gets divided into many segments, which in turn may be below economic size. However, with the ongoing consolidation process in the industry and diminishing quality gap between domestic and export markets, such segmentation will reduce significantly.

(*Source:* The Edge *Investment Opportunity for Textile Machinery Manufacturing in India*)

YARN TWISTING

Thread is a tightly twisted strand of two or more yarn. Sewing threads is a type of threads used for sewing in textile end products. It is a special kind of yarns that are engineered and designed to pass through a sewing machine rapidly. They form efficient stitches without breaking or becoming distorted during the useful life of the product. The basic function of a thread is to deliver aesthetics and performance in stitches and seams.

Sewing threads is a small part of the global textile market; it is one of the essential materials to produce apparels, footwear, bedding and mattress, luggage and bags, etc. Apparels are the most area of the sewing threads end usage, which took about 50% of the total market in 2016.

China is the largest market of the sewing threads, while it took up about 38% of the global total sales market, followed by the South Asia, about 25%; and South East Asia took about 10% of the global total in 2016. At the same time, China, South Asia, South East Asia, and Mid-America, are the most important consumption market of the sewing threads. There is still some growth in the developing countries, and the market will keep increasing in the next five years.

(Source: https://www.absolutereports.com/global-sewing-threads-market-2019-by-manufacturers-regions-type-and-application-forecast-to-2024-13901908)

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 'Risk Factors' and 'Financial Information' and the chapter 'Management Discussion and Analysis of Financial Condition and Results of Operations' on page no. 17 and 206 respectively, of this Prospectus.

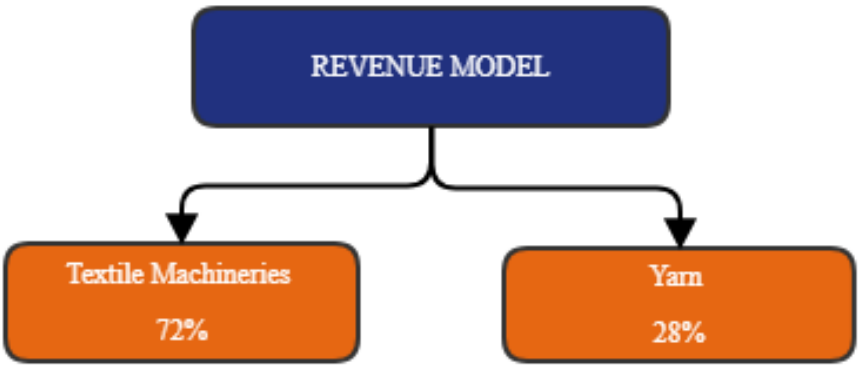
Unless otherwise indicated, the financial information included herein is based on our Restated Standalone Financial Statements for Financial Year ended 2019, 2018 and 2017 and Restated Consolidated Financial Statements as of March 31, 2018 and 2019 included in this Prospectus. For further information, please see "Financial Statements" on page no. 133 of this Prospectus.

Unless the context otherwise requires, in this section, reference to "we", "us", "our", "Company" or "Our Company" refers to Meera Industries Limited.

Our Company was originally incorporated as Meera Industries Private Limited on July 05, 2006 with the Registrar of Companies, Gujarat Dadra and Nagar Haveli as a private limited company under the provisions of the Companies Act, 1956. Subsequently, our Company was converted into public limited Company pursuant to shareholders resolution passed at the Extra-Ordinary General Meeting held on February 25, 2017 and the name of our Company was changed to Meera Industries Limited. A fresh certificate of incorporation consequent upon conversion to public limited Company was issued by the Registrar of Companies, Ahmedabad on March 09, 2017. Further our company came out with Initial Public Offer in the year 2017 and got listed to SME exchange of BSE Ltd. on May 15, 2017.

Our Company is a growing textile machine manufacturer dealing in twisting, cabling, winding and heat setting machines. We design, develop and sell high-performance machines to various processing and manufacturing units in the textile industry. The huge repository of knowledge and technology base that our Company has developed since inception is a strong base to outperform the competition and be abreast in the market. This supports our Company to constantly upgrade the technologies to meet present and futuristic requirements of our customers. We ensure the quality of our products through rigorous testing including testing of sub system before integration and followed by testing of the entire system when assembled. We provide a combination of designing, manufacturing, testing facilities and after sales support that provides customer delight to the equipment offered by us.

Our Company has started its own yarn twisting division in Fiscal 2017-18, which includes processing and selling of yarn. Yarn Twisting includes uniting two or more doubled yarn ends to hold the constituent fibres together, thus giving enough strength to the yarn, and also producing a continuous length of yarn. The revenue model of our Company as on March 31, 2019 based on the two segments is as follows:



We cater to the domestic market having a PAN India customer base for our textile machinery products as well as our yarn twisting division. We have also developed an extensive export market for our textile machinery products covering continents like America, South America, Africa, Europe and Asia and include major countries like Germany, Spain, Turkey, Thailand, Belgium, Italy, Kenya, Nigeria, South Africa, Peru, Bolivia and USA to name a few. With a view to expand our markets in the western countries, we incorporated Meera Industries USA LLC as our wholly owned subsidiary. Our subsidiary, situated in the State of Northern Carolina began its operations in 2017

and caters to our growing base of customers in the USA, Canada and various South American countries like Mexico, Ecuador, Peru, etc.

Our manufacturing unit is located at Surat, Gujarat and is spread over an area admeasuring around 7,882 square meters (approximately). Our manufacturing unit has the competence and facilities to provide best quality Yarn Twisting, Winding and Heat-Setting Machine for textile industries starting from design and development to prompt after sales support. We have established an in-house R&D Center recognized by the Department of Scientific and Industrial Research (DSIR), Government of India and the facility is located within the manufacturing unit. Our R&D center is working on the on-going projects & new development with latest designing. Our manufacturing facilities are certified as per ISO 9001 for the Designing Manufacturing & Supply of Yarn Twisting & Winding Machines.

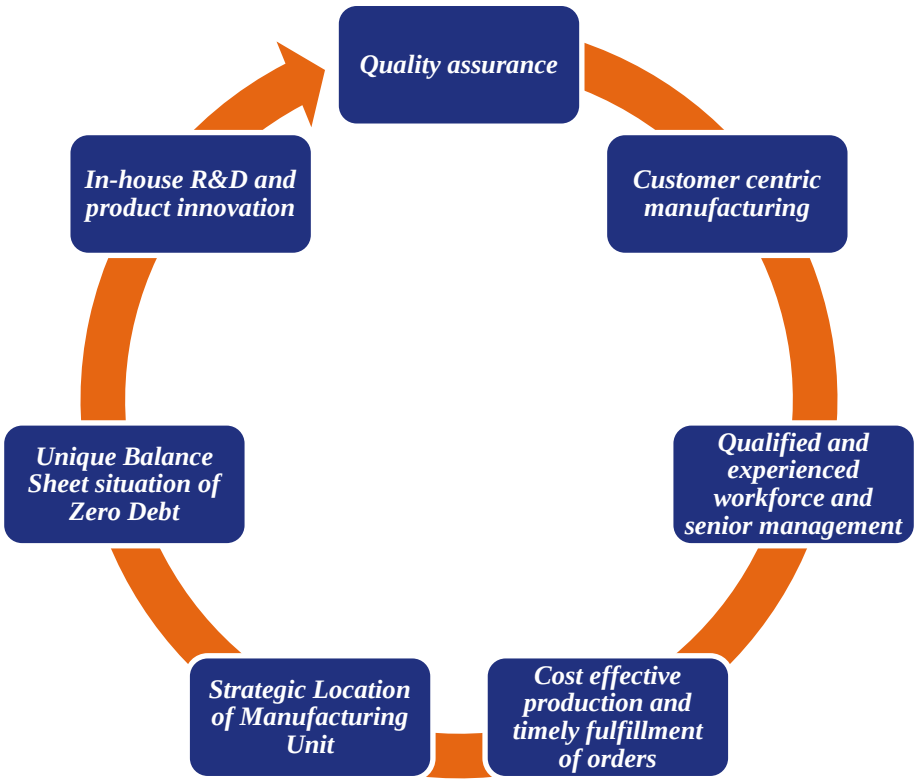
Our Managing Director and Promoter, Mr. Dharmesh V. Desai has experience of around two decades of experience in manufacturing of yarn twisting, winding and heat-setting machines for textile industries. He actively participates in timely execution of the Industry Orders and is the guiding force behind the growth and business strategy of our Company. Our promoter, Mrs Bijal D. Desai has more than 13 years of experience in production and human resource department and is currently, the human resource, administration and logistics department of our Company.

As on April 30, 2019, our Company has employed 129 employees (including skilled, semi skilled and unskilled employees). We strive to impart continuous training to our employees, which helps the organization stay abreast of the rapidly changing technological environment.

We have consistently grown in terms of our revenues and profits over the past years. In the past three (3) years our standalone revenues have increased from ₹ 1,349.02 lakhs in F. Y. 2016-2017 to ₹ 2,156.63 lakhs in F. Y. 2017-18 and further to ₹ 3,531.07 lakhs in F. Y. 2018-19, showing an increase of approximately 60% and 64%. Our Net Profit after tax for the above mentioned periods are ₹ 125.31 lakhs, ₹ 255.12 lakhs and ₹ 451.80 lakhs, respectively, showing an increase of approximately 104% and 77%. Based on Consolidated Financial Statements, our revenue from operations for the F. Y. 2017-18 and 2018-19 was ₹ 2,194.34 lakhs and ₹ 3,641.34 lakhs respectively. And our Profit after Tax is recorded at ₹ 240.80 lakhs and ₹ 494.55 lakhs for above mentioned periods.

Between F. Y. 2016-17 and F. Y. 2018-19, our total standalone revenue grew at a CAGR of 37.81%, EBITDA grew at a CAGR of 51.65% and PAT grew at a CAGR of 53.34%.

OUR STRENGTHS



Quality assurance

We have undertaken various initiatives and adopted various systems and processes in order to augment our commitment to focus on quality which is crucial for our operations. Our manufacturing unit is well equipped with modern quality checking and testing equipment's for quality assurance. Our customers also require us to maintain extremely rigorous and strict checks on compliance with all necessary quality and safety standards. We are an ISO 9001:2015 certified company in relation to Designing Manufacturing & Supply of Yarn Twisting & Winding Machines. Our strength in Quality Assurance is supported by the philosophy of delivering a high quality component in a prompt and precise manner. We have a successful track record of executing projects meeting stringent quality requirements, which is a testimony of our engineering and quality adherence.

Further, Our Company has a well established testing laboratory which is responsible for the final approval of product manufactured. Each part of the product has to undergo a quality check before it is finally assembled so as to prevent mistakes or defects in manufactured products and avoid problems when delivering solutions or services to customers. Our testing department, equipped with testing machines checks the desired level of quality in the product and gives a final quality approval before dispatch of product.

Customer centric

Our Company focuses on attaining highest level of customer satisfaction which is achieved by providing prompt after sales service. These services include providing installation of machine at the customer's premises warranty and prompt after sales service, if any required for proper functioning of machine which is evidenced by attending to all complaints of customers and resolving them.

We believe that meeting client's specific requirements and delivery of services is key factor for growth. Our Company ensures customer satisfaction by taking steps for meeting client's specific requirements and maintaining consistency in quality and this has yielded results in the form of client retention.

Qualified and experienced workforce and senior management

We have a dedicated team of skilled individuals with technical background and domain experience in each of our verticals with a focus on evolving technologies. These teams follow a structured applied innovation and solutions development process and work with delivery functions to identify the key concerns of our customers and generate solutions, ideas and concepts to address the concerns. The team comprises of personnel having technical, operational and business development experience. We have employed suitable technical and support staff to manage key areas of activities allied to operations. We believe that the demonstrated ability and expertise of our Promoters for committed asset investment and use of cutting-edge technology results in growing capacities and rising production levels with better cost management and enhanced process efficiency.

Our promoters, Mr. Dharmesh V. Desai and Mrs. Bijal D. Desai, together have around 30 years of experience in the business and industry respectively. We believe that their experience has played a significant role in strengthening and developing strong relationships with our customers and suppliers. In addition, we believe that our qualified and experienced management team who possess requisite skills, experience, technical know–how and understanding of the industry provides us a significant competitive advantage and enables us to function effectively and efficiently. The vision and foresight of our management enables us to explore and seize new opportunities and accordingly position ourselves to introduce new products to capitalize on the growth opportunities in the Industry.

Cost effective production and timely fulfilment of orders

Our Company has taken various steps in order to ensure adherence to timely fulfilment of orders and also to achieve cost efficiency. These steps include smooth labour relations, use of an efficient production system and ability to meet large orders. Our Company constantly endeavors to implement an efficient procurement policy for inputs required for production so as to ensure cost efficiency in procurement which in turn results in cost effective production.

Strategic Location of Manufacturing Unit

Our Company has manufacturing unit for the manufacture of its products located at 2126, Road No. 2 GIDC, Sachin, Surat - 394230, Gujarat and the same is strategically located with the following benefits:

- Our unit is situated in a well-developed industrial area of GIDC having basic infrastructure facilities like power & water available locally and also providing us the advantage of one window license for our manufacturing facilities, including pollution and effluent treatment approvals.
- Raw materials sourced are easily available and / or deliverable from the manufacturers / third party job-workers located in Maharashtra, Gujarat and Rajasthan to our Unit. Thus, procurement of raw materials is less time consuming and comparatively cheaper due to savings on time and freight.
- Skilled and semi skilled workers are easily available in Surat & Sachin areas in view of the established industrial zone and also various existing and upcoming manufacturing industries / sector in these areas.
- Our Unit is located in proximity to the city of Surat which is one of the major market textile hubs in India and is approximately 20 km from Surat International Airport. Also, our Unit is about 15 km from the main National Highway No. 48 connecting Northern, Western & Southern India.

Unique Balance Sheet situation of Zero Debt (excluding vehicle loans)

We currently possess a unique balance sheet situation with zero debt (excluding vehicle loans). We believe that this gives us immense opportunities to raise further capital, in terms of equity and debt. Our fund raising ability enables us to expand our reach. We believe that this business model has proved successful and scalable for us in the last few financial years. For this, our Company can undertake expansion plan including setting up additional unit, which is aided by our current zero leverage and thus ability to raise capital at attractive interest rates and also on favourable terms.

In-house R&D and product innovation

We have established an in-house R&D Center which has received recognition by the Department of Scientific and Industrial Research (DSIR), Government of India and the facility is located within the manufacturing unit. Our R&D

center is working on the on- going projects & new development with latest designing. Our Company has been accredited with ISO 9001:2015 for quality management system. We adhere to the quality standards as prescribed by our customers and hence we are able to get repetitive orders from customers.

We have bagged R&D, export awards & accreditations for all our efforts in developing breakthrough technologies, delivering superior quality & environment friendly textile machineries, hence contributing to energy & process optimization.

For risks related to our business, our Company and our industry, see "Risk Factors" on page no. 17 of this Prospectus.

BUSINESS STRATEGY

Focus on R&D to develop complete systems to enhance the long-term prospects of our Company

We continue to identify various strategic initiatives to improve our operational efficiencies and invest in modern technology and equipment's to upgrade the quality and functionality of our solutions to address changing industry trends and customer requirements. We intend to continue providing such customized products to meet varied requirements of our customers. We will consistently invest in research and design to innovate and develop new products and become preferred solution provider for our customers. We believe that it is critical for us to work closely with their key customers for designing, developing and production activities. A strong understanding of the customers' requirements based on their future product development programs is essential. To harness growing market opportunities and to maintain our position of a quality and reliable machinery supplier, we intend to focus on enhancing our technical knowhow to the next generation by assimilation of technology and using our strong R&D base.

Expand our total Installed Production Capacity and Product Range

We have gradually been increasing our total production capacity over the past years considering the growth in demand for our products in the domestic as well as international markets. Accordingly, we have proposed to further increase our manufacturing capability through an expansion project wherein we are in the process of acquiring an adjacent land and propose to build a factory building on the same and set-up an additional unit for manufacturing of textile machinery and yarn twisting. We have entered into an Agreement to Sell for acquiring the required land and the said expansion is proposed to be funded from the net proceeds of this Issue.

The location of the proposed plant being adjacent to our existing plant, gives us various strategic business

advantages and managerial convenience. For further details, please refer to the "*Properties – Our Business*" and "*Objects of the Issue*" on page nos. 100 and 58 of this Prospectus. Expanding our manufacturing unit will lower the manufacturing costs, enable cheap labour costs, cut lead times and higher the production capabilities and hence result in production efficiency.

Competitive Pricing:

Our Company provides Yarn Twisting, Winding and Heat-Setting Machine backed by In-house Product Design & Development, Manufacturing and after sale service. Price is an important aspect of our business' marketing mix and changing the price can drastically affect the marketing tactics necessary for success. To remain aggressive and capitalize a good market share, we believe in offering competitive prices to our customers. This helps us to sustain the cut-throat competition and withhold a strong position in the market. Further it helps us to prevent loss in Company's market share.

Operation Excellence

We continue to invest in operational efficiency throughout the organization. We are addressing the increase in operational output through continuous process improvement, Quality Assurance, customer service, consistent quality and technology development.

We will continue to invest in increasing our functional efficiency throughout the organization. Our Company intends to improve efficiencies to achieve cost reductions and have a competitive edge over our peers. We believe that this can be achieved through continuous process improvement, customer service and technology development. We also strive to improve the quality of the products manufactured. We impart technical training at regular intervals to our employees to enhance their skills.

Our Company constantly endeavors to improve our production process. We have invested significant resources, and intend to further invest in our activities to develop atomized systems and processes to ensure effective management control. We regularly analyze our existing policies to be carried out for operations of our Company which enable us to identify the areas of bottlenecks and correct the same. This helps us in improving efficiency and putting resources to optimal use.

DETAILS OF OUR BUSINESS

LOCATION

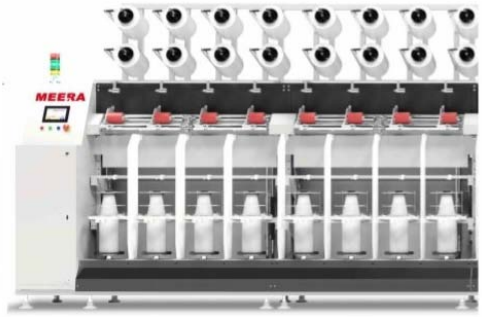
Our registered office and manufacturing unit is located at 2126, Road No. 2 GIDC, Sachin, Surat – 394 230, Gujarat.

Our Wholly Owned Subsidiary is situated at 209, Swathmore Avenue, High Point, NC 27263 USA.

OUR MANUFACTURED PRODUCTS

Our Company is engaged in the manufacturing of Yarn Twisting, Winding and Heat-Setting Machine for Textile Industries. The major products manufactured by us are as under:

Sr. No.	Product Category	Product Description
1.	**Two For One Twister (Spun Yarn Twister)** 	Features: • Space requirement and energy saving by means of small spindle diameters. • Very Low Noise level. • Models are as per the need of different twist levels & energy saving concepts. • It has an enclosed structure to avoid fluff contamination. • Individual spindle braking • Low set up type due to modular design & machine. • Automatic yarn stop & cradle lifting on yarn breakage. Application: • 2 or 3 Ply, PV, PES, Cotton, Woolen or any Spun Yarn. • Any combination of spun & filament yarn.
2.	**Servo Controlled Cop Winder** 	Features: • Servomotor driven with PLC system featuring the uniform yarn speed without the change in tension, so that it is possible to realize the high quality of Winding. • Input & Output parameter can be set by touch screen control panel, so that it makes more convenient operation even for unskilled operator. • The flexibility of its function allows the winding of all Pirn, Bottle and Spool Bobbins. Application: • Rewinder for Filament Yarn from bigger cheese to small cop suitable for Twisting Machine. • Cheese to Pirn winding • Bobbin winding • Bottle winding
3.	**Cone / Assembly Winder** 	Features: • Anodized Aluminum grooved Drum. • Centralized PLC control with inverter drive for each position. • Parameter Control: Count, Yarn Type, Yarn Speed. • Preset Length of Yarn. Individual display on each drum in meter. • Optical sensor with Heavy duty Cutter. Motor Driven spring loaded washer tension device. Assembly upto 18 Ply.

Sr. No.	Product Category	Product Description
4.	**Ring Twister** 	Features: • Yarn upto 60,000 denier. • Yarn speed upto 140 meter/min. • Maximum Bobbin height 600mm. • Ring dia ranges from 140 to 300mm. • Individual motor spindle. • Twisting and winding parameters set by touch panel. • Pressurized lubrication system set by PLC. Pressurized rollers by pneumatic cylinder with overlapping protection.
5.	**Covering Machine** 	Ceramic pre-take-up roller, designed for elastic yarns, ensures optimum reduction of the take-up yarn tension in the traversing triangle. Featurres: • Double Deck Machines for Covering of Elastic Yarns/ Glass Fibre. • The machines are built to fit hollowed spindles, are equipped with a high sophisticated traverse, tapering device & lip motion device, such to take-up even packages to be used directly in hosiery without prior rewinding. • The take-up cradle is of the "open arm" type, with centering running on ball bearings. Different types of control can be equipped the machines from fully mechanical to full electronic system.
6.	**TPRS Twister Machine** 	TPRS manufacturing method would give several Qualitative, Operational, Capital and Cost advantages. Features: • Superior Quality: Reverse twisting used under the uniform tension of individual pre-twisted yam has improved the quality of Yarn manufactured. • Space Savings: Saving of Space due to single machine instead of hvo separate primary twister & secondary twister. Expenses on bobbins will be saved since the yam will be manufactured directly from cops to final package. • Smooth Running: smooth running of the machines with very minimal breakages and dean environment in the work area.

Sr. No.	Product Category	Product Description
7.	**Heavy Duty Twister and Cabler Machine** 	Features: • Automatic spindle stop on yarn breakage. • Servo driven traverse mechanism. • Hysteresis tension device for uniform unwinding avoiding loop formation & twist fluctuation. • Direct cabling process in two ply application. • Low power consumption due to single yarn balloon. • Double the knot less package compared to normal TFO twisting. • Universal Spindle design enables easy conversion from the Two For One to the direct cabling process & vice versa. • Delivery speed up to 120 mlmin. • Individual motor driven spindle to minimize power noise and maintenance. • Overall saving in machine cost, labor cost & power cost by 50%. Application: • Carpet yarn • Tyre cord • Single end BCF yarn As high as 6000 denier with as low as 20 TPM
8.	**Continuous Bulk and Health Setting Machine** 	Features: • Coiling Head: Coiling head to lay yarn on conveyor lead to climate chamber. • Conveyer Belts: Teflon coated yarn transport belts driven by PLC controlled geared motor to very Dwell time ranging from 40 secs to 10 mins. • Yarn Dryer : Yarn cooling area after heat setting of yarn to drop the yarn at room temperature. • Yarn Splitting : Yarn bundle of 16 ends get separated after cooling for final winding of yarn in individual package ready for use.

Our Company serves diversified industries such as Medical, Automotive, Textile, Tyre Cord, Fishnet, Carpet & Bathmat, Sports etc.

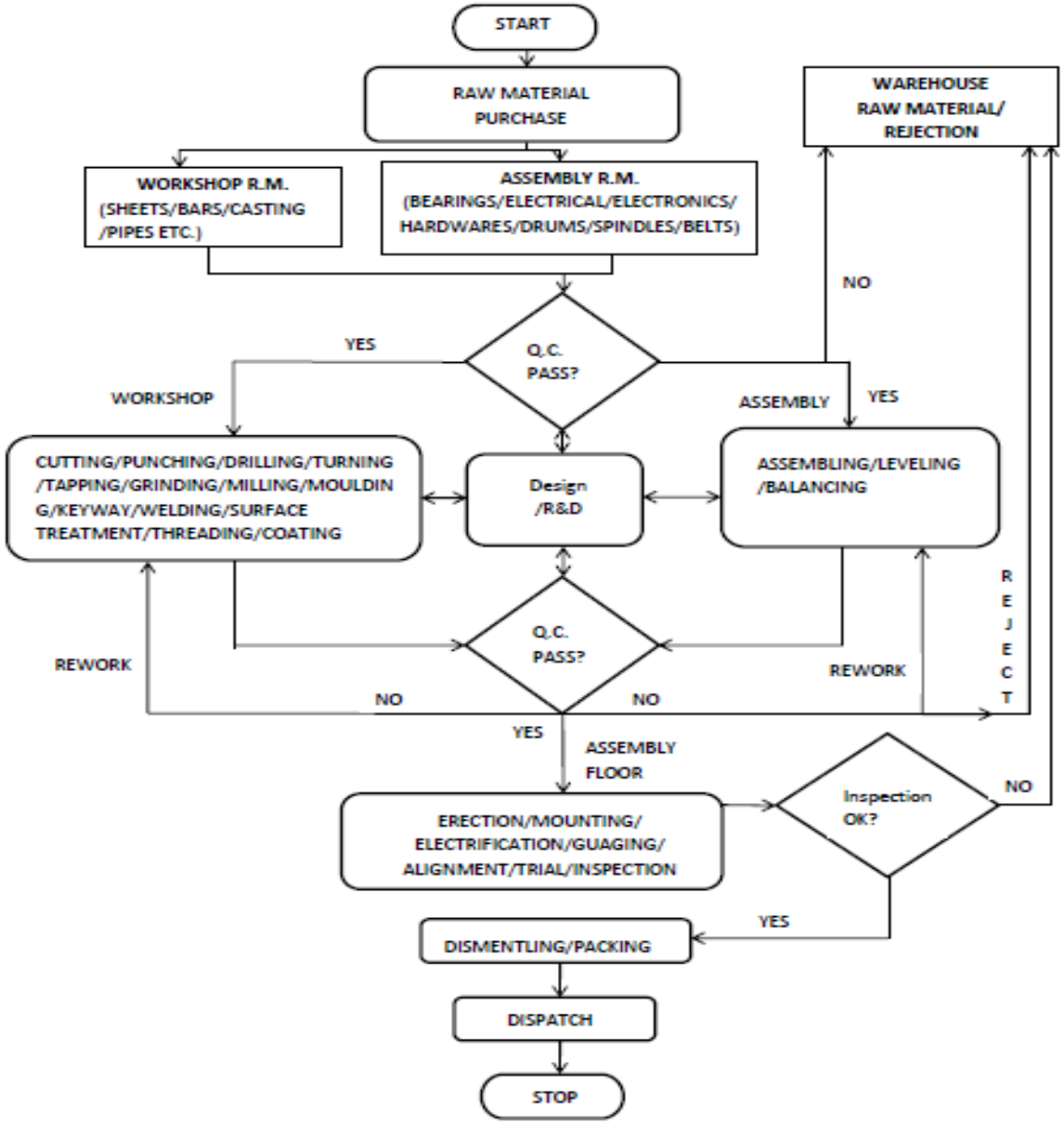
PLANT AND MACHINERY

Some of the major equipment owned by us and available at our existing unit are:

• Power Press Machine of 20 Tone • Air Compressor Machine • Vertical Balancing Machine • Cylindrical Grinding Machine • Lathe Machine • Miling Machine • Drill Machine • Shearing & Cutting Machine	• Winding Machine • Precision Bio-Conical Multiply Cheese Winder Machine • Cone to Cone Yarn Sizing Machine (50 Spindle Winder) • V Store Storage System • Storage System • Plastic Crates

• CNC Turing Center • Electric Gas Cutter • Air Dryer Machine • Variable Rake Angle Hydraulic shearing Machine • Welding Machine T.P. 1500 With Electrode holder & Earth Clamp With Cable • Packing machine • NC Controlled Press Brake Machine • Power Press Machine of 50 Tone • Inverter 160 AMPS Welding Machine • Pivot Type High Speed Heavy Duty Horizontal Metal Cutting Bandsaw Machine • Drill Machine (KMP) Capacity 25MM • Tapping Machine Capacity 12 MM • Single Spindle Automatic Lathe Machine • Dynamic Balance Machine • Tapping Machine • Press(series-3) • Press(series-1) • Air Compressor Machine • Welding Machine Set • 6" Medium Duty Lathe Machine • Smarturn CNC Lathe • Non Metal laser Cutting Machine • Fiber Laser Cutting Machine F3015 1KW-1Set • Dynamic Balancing machine • Granding Machine • Ultima HX8 Highline Winding Machine	• Rack type of Storage System • Surface grinder Model D 618-7 • Proflie Projector • Saras Micron Tools • Surface Table for Workshop • Automatic Twist Tester • Stroke Compact Traverse • Single Gurder Crane EOT • SM 800-MANNUAL SWEEPER WITH STANDARD ACCESSORIES SM 800-Manual Sweeper with Standard Accessories • KNEL Make 10 KVA 3 Phase Servo Controlled Volatage Stabilizer • KNEL Make 20 KVA 3 Phase Servo Controlled Volatage Stabilizer • Air Compressor Pipeline • PALLET TRUCK Pallet Truck • UPS System 3 PH- 3 • Trolly

OUR MANUFACTURING FLOWCHART



OUR MANUFACTURING PROCESS

Designing

Our manufacturing process starts with designing of machineries. Once the order is confirmed, our design team provides the respective bill of material, specifications and drawings of the product along with the project code and name to the planning and procurement department for determining the availability of the components and the raw material in the store (warehouse) with the help of quality check department.

Availability and Procurement

Stock is checked in the store (warehouse) as per the given bill of material. After getting the availability of the components from the store & quality check, list of Items for procurement is made as per the bill of materials provided by the design department.

Quality Check

All the incoming materials are tested in advance and the final product has to pass through a quality test to ensure that it is of the best quality and standard. Our products thus undergo quality checks to maintain precision in the results.

Production

Based on the instruction of planning & procurement departments to reissue the components and raw material to assembly floor and workshop respectively. Production of the workshop is then carried out at workshop based on the bill of material and the specifications provided by the design department which is verified by the Q.C. department and is then provided to the assembly floor for the erection along with the brought out components for making of sub-assemblies. Simultaneously assembling of the sub-components is carried out at different assembly floor stations working on different sub-assemblies simultaneously as per the work allotted by the planning & procurement department. Once the sub-assembly is complete the quality department checks the quality of the sub-assemblies for the erection and mounting.

After quality check, the erection, mounting and electrification is carried out on the erection floor station.

Inspection

Once the erection is completed, the product is inspected by the quality department for the final approval and the inspection report of the project is submitted to the planning and procurement department along with the design department for the future reference and improvements.

Packing and Dispatch

Approved machineries are dismantled and packed as per the standard packing procedures and further it is dispatched.

Raw Materials

The major raw materials used for the manufacturing of our products are Metal Sheets, Bars, Angles, Channels, Pipes, Spindles, and Transmission, Gear and Electrical items.

Collaborations

As on date of this Prospectus, our Company has not entered into any collaboration agreements.

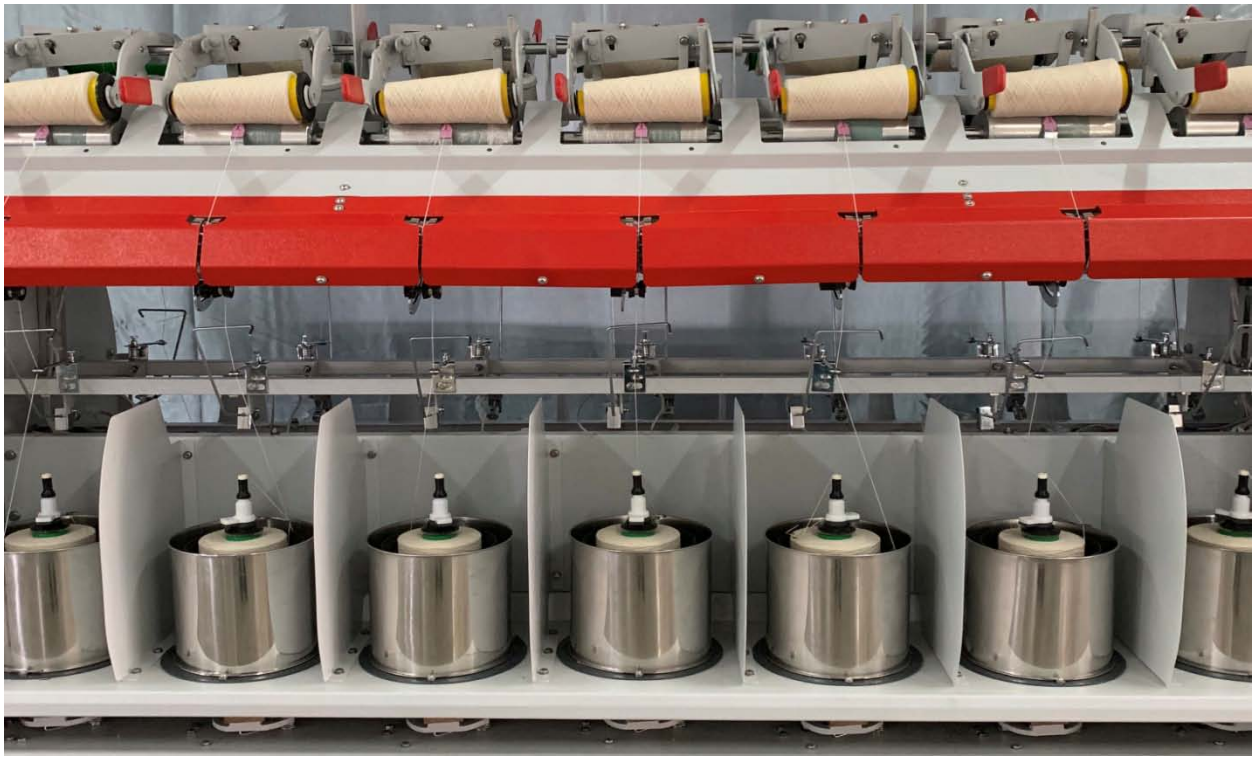
TWISTING OF YARN

The classical term of Twisting applies to the twisting of one or more yarn or filaments. Today, twisting refers to a number of system for yarn processing/finishing. All the system need the “special turn”. The mostly used twisting processors are single yarn twisting, double twisting, covering and their combinations.

Objectives of twisting:

1. Increasing density and compactness of yarn.
2. Improving strength by binding filaments together; so that it can take strains in weaving or further process.
3. Obtaining desired appearance, feel of yarn and a peculiar effect by imparting different twist to a single yarn or assembling together different yarns.
4. Imparting certain properties to the yarn like rigidity, flexibility, elongation etc

Thus, it improves handling strength and elongation without chemical process.



Twisting process is widely used for continuous filament yarn for binding of single filaments, permitting for instance easy downstream processing. Yarn twisting is performed on up-twisting, ring twisting and two for one twisting machines.

ACCREDITATIONS OBTAINED

Sr. No.	Particular of license	Issuing Authority	License	Validity	License No./ Certificate Registration No.
1.	ISO 9001: 2015 Designing Manufacturing & Supply of Yarn Twisting & Winding Machines	The Certification Body of TUV SUD South Asia Private Ltd.	Meera Industries Ltd.	From 09.10.2017 to 08.10.2020	9910017971

AWARDS RECEIVED

Award	Year	Awarding Agency / Authotiry
Indian Leadership Award for Industrial Development	2011-12	All India Achievers Foundation
Research And Development (Innovation) Award – Textile Machinery Sector for Development of "Continuous Bulking and Heat Setting Machine"	2011-12	Textile Machinery Manufacturer's Association (TMMA)
Research and Development Award – Textile Machinery Sector for development of "TPRS Twister"	2011-12	Textile Machinery Manufacturer's Association (TMMA)
Bhartiya Udyog Ratan Award	2012-13	Association for Economic Growth and Social Development
Special Export Award – Small Scale Sector – Award for Export of Textile Machinery	2012-13	Textile Machinery Manufacturer's Association (TMMA)

UTILITIES & INFRASTRUCTURE FACILITIES

Power

We have availed of a power connection from Dakshin Gujarat Vij Company Limited with connected and sanctioned load of 99 KW which is sufficient to meet our unit requirement.

Water

Water is required for domestic purposes, which is met from the present bore well.

Customer Base:

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

(₹ in lakhs)

Particulars	FY 2018-19		FY 2017-18		FY 2016-17	
	Revenue	% of Revenue From Operations	Revenue	% of Revenue From Operations	Revenue	% of Revenue From Operations
Revenue From Top 10 Customer	2,000.59	58.03%	1,244.86	58.94%	990.44	75.48%

INSTALLED CAPACITY

Set forth below are the detail so four existing installed capacity and capacity utilization:

Twister Machine:-

Particulars	Unit	Existing		
		2017	2018	2019
Total Production Capacity	Pcs.	80	80	90
Capacity Utilization	Pcs.	47	59	97[(1)]
Capacity Utilization (%)		58.75%	73.75%	107.78%[(1)]

[(1)] Our Company has utilised idle capacity for other products for additional production of this product due to prevailing orders for the same.

Winder Machine:-

Particulars	Unit	Existing		
		2017	2018	2019
Total Production Capacity	Pcs.	48	50	60
Capacity Utilization	Pcs.	25	22	29
Capacity Utilization (%)		52.08%	44.00%	48.33%

Heat Setting Machine:-

Particulars	Unit	Existing		
		2017	2018	2019
Total Production Capacity	Pcs.	4	4	4
Capacity Utilization	Pcs.	2	5[(1)]	3
Capacity Utilization (%)		50.00%	125.00%[(1)]	75.00%

[(1)] Our Company has utilised idle capacity for other products for additional production of this product due to prevailing orders for the same.

EXPORT AND EXPORT OBLIGATIONS

Details of our export revenue from operation are given below:

(₹ in lakhs)

FY 2018-19		FY 2017-18		FY 2016-17	
Export Revenue	% of Total Revenue	Export Revenue	% of Total Revenue	Export Revenue	% of Total Revenue
1,113.89	32.31%	585.13	27.13%	808.27	61.59%

Our Company doesn't have any export obligation.

HUMAN RESOURCE

Our Company believes that our ability to maintain growth depends on our strength in attracting, training, motivating and retaining employees. As on April 30, 2019, we have 129 employees on our payroll as mentioned below.

Sr. No.	Category	Number of Employees
1.	Executive Director	2
2.	Key Managerial Person	6
3.	Other Office / Administrative Staff	39
4.	Factory Staff / Worker Staff	82
Total		**129**

MARKETING STRATEGY

Our Company was incorporated in the year 2006 and is a textile machine manufacturer since incorporation. Currently, we have a manufacturing unit at Sachin, Surat and have began operations in our Wholly Owned Subsidiary in the F. Y. 2017-18 which acts as our marketing arm for the USA and South American markets. With our expanding business scope, we have, over these years established strong customer base and an unyielding marketing setup. Our marketing division is responsible for garnering clients for its products and building strong relations with them. The division is directly controlled and supervised by our Director, Mr. Dharmesh V. Desai.

We have an efficient sales & marketing team at our registered office and also at our wholly owned subsidiary in North Carolina, USA. The marketing team consists well experienced and qualified people to develop, maintain and increase relations with our customers. In our endeavour to maintain good relations with our customers, we offer regular servicing and repairs for the machines sold by us as and when required, which may be chargeable or paid service. Our marketing team also plays an important role in the development of new products based on their study and feedback on latest industrial needs. Our registered office, subsidiary and manufacturing unit are well synchronised and we endeavour to keep the updated from time to time. We target our marketing activities more towards multi-national corporates and futuristic organisations for our industrial products as we believe that our quality and pricing is better appreciated by them.

As part of indirect marketing activities we visit and participate in exhibitions all across the globe to stay updated, find new products and customers and understand the latest global trends.

COMPETITION

Textile Machinery being a global industry, we face competition from various domestic and international manufacturers and traders. Competition emerges from small as well as big players in the textile machinery industry. The organized players in the industry compete with each other by providing high quality, consistent and time bound products and value added services. We have a number of competitors offering products similar to us. We believe the principal elements of competition in our line of business are technology, innovation, consistent and quality products, prompt availability and strong relations with our customers.

We face significant competition from international manufacturers and traders, especially China. We compete with them by providing high quality products with lower rejection ratio and spot delivery. We further compete with various domestic and international competitors by establishing ourselves as a knowledge and innovation based company with manufacturing capabilities of a varied textile processing machineries through our manufacturing unit in the States of Gujarat and also having a dedicated marketing arm under our wholly owned subsidiary, which enables us to provide our clients with desired quality products at reasonable rates to meet their requirements.

INSURANCE

Our Company has insurance coverage which we consider reasonably sufficient to cover general risks associated with our operations. Our Company has taken insurance policy in respect of our business, assets such as stocks, plant and machinery, buildings and equipments.

OUR PROPERTIES

New / Proposed Acquisition of Land

Our Company is in the process of purchasing the following land and has entered into an 'Agreement to Sell' dated December 07, 2018. The final sale deed will be executed shortly.

(₹ in lakhs)

Location of Land / Address of Property	Name of the Seller	Amount Deployed	Land Area	Total Cost
Land situated at Industrial Plot No. 2127, GIDC, Sachin Industrial Area, Moje Unn, Surat.	Mrs. Chandrika Gandhi	102.01[(1)]	5,166 Sq. Mtrs.	421.00

(1) As on April 30, 2019

Freehold Property

Our Company owns the following property:

Description of Property	Name of the Vendor	Consideration (in ₹)	Purpose
House No.120, Avadh Shangrila, Village-Baleshwar, Tal- Palsana, District-Surat, Gujarat	M/s. Anjani Developers	₹ 38,50,000/-	Guest House

Leased / Rented Property

Details of our leased properties are as below:

Description of Property	Name of the Lessor	Tenure	Consideration (in ₹)	Purpose
2126, Road No. 2 GIDC, Sachin, Surat-394230, Gujarat	Mrs. Bijal D. Desai	01/04/2016 to 31/03/2021	₹ 1,76,400/- per month[(1)] & ₹ 5,00,000/- refundable security deposit.	Registered Office & Manufacturing Unit

(1) For the F. Y. 2019-20 and the same for the F. Y. 2020-21 will be ₹ 1,85,220/-

INTELLECTUAL PROPERTY

Our Company has applied for the following registrations under the Trademark Act 1999 and Trademark Rule 2003. The Status of our application is as under:

Sr. No.	Logo	Date of Application	Application No.	Class
1.	MEERA	August 02, 2010	2002480	7

KEY REGULATIONS AND POLICIES

The following description is a summary of certain sector specific laws and regulations in India, which are applicable to us. The information detailed in this chapter has been obtained from publications available in the public domain. The regulations 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 substitute for professional legal advice.

We are required to obtain and regularly renew certain licenses / registrations / sanctions / permissions required statutorily under the provisions of various Central and State Government regulations, rules, bye laws, acts and policies. Additionally, the projects undertaken by us require, at various stages, the sanction of the concerned authorities under the relevant central and state legislations and local byelaws.

For details of Government Approvals obtained by us in compliance with these regulations, please see "*Government and Other Statutory Approvals*" on page no. 226 of this Prospectus.

A. INDUSTRY RELATED LEGISLATIONS

1. Factories Act, 1948

The Factories Act, 1948 (**"Factories Act"**) seeks to regulate labour employed in factories and makes provisions for the safety, health and welfare of the workers. 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.

2. Electricity Act, 2003

The Electricity Act, 2003 ("**Electricity Act**") repealed the previous Indian legislation pertaining to electricity in India, namely the Indian Electricity Act, 1910, the Electricity (Supply) Act, 1948 and the Electricity Regulatory Commissions Act, 1998. The object of the Electricity Act is to consolidate the laws relating to inter-alia the generation, transmission, distribution, trading and use of electricity. The Electricity Act inter-alia provides for constitution of the Central Electricity Authority to exercise such functions and perform such duties as are assigned to it thereunder, including inter-alia advising the Central Government on matters relating to national electricity policy, formulating short term and perspective plans for development of the electricity system. It also provides for the constitution of the Central Electricity Regulatory Commission for exercising the powers and discharging the functions assigned to it thereunder, including inter-alia regulating tariffs of generating companies, granting of licenses, formulating the Grid Code as well as advising on formulation of the National Electricity Policy and Tariff Policy. It also inter-alia provides for constitution of the State Electricity Regulatory Commissions for formulating the State Grid Code, granting licenses to electricity traders/distributors, facilitate intra-state transmission and wheeling of electricity.

3. Micro, Small and Medium Enterprises Development Act, 2006

The Micro, Small and Medium Enterprises Development Act, 2006 ("**MSME Act**") was enacted to promote and enhance the competitiveness of micro, small and medium enterprises. The Central Government is empowered to classify by notification, any class of enterprises including inter alia a company, partnership firm, or undertaking by whatever name called, engaged in the manufacture or production of goods pertaining to any industry mentioned in the First Schedule to Industries (Development and Regulation) Act, 1951 as micro enterprise where, the investment in plant and machinery does not exceed Rupees Twenty Five Lakhs; small enterprise, where the investment in plant and machinery is more than Rupees Twenty Five Lakhs but does not exceed Rupees Five Crores; or a medium enterprise, where the investment in plant and machinery is more than Rupees Five Crores but does not exceed Rupees Ten Crores and in case of the enterprise engaged in the services – Micro enterprise, where the investment in equipment does not exceed Rupees Ten Lakhs, small enterprise where the investment in equipment is more than Rupees Ten Lakhs but does not exceed Rupees Two Crores, or medium enterprise where the investment in equipment is more than Rupees Two Crores but does not exceed Rupees Five Crores.

B. TAX RELATED LEGISLATIONS

1. **Income-tax Act, 1961**

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

2. **Central Goods and Services Tax Act, 2017**

The Central Goods and Services Tax Act, 2017 ("**CGST Act**") regulates the levy and collection of tax on the intra- State supply of goods and services by the Central Government or State Governments. The CGST Act amalgamates a large number of Central and State taxes into a single tax. The CGST Act mandates every supplier providing the goods or services to be registered within the State or Union Territory it falls under, within 30 days from the day on which he becomes liable for such registration. Such registrations can be amended, as well as cancelled by the proper office on receipt of application by the registered person or his legal heirs. There would be four tax rates namely 5%, 12%, 18% and 28%. The rates of GST applied are subject to variations based on the goods or services.

3. **Integrated Goods and Services Tax Act, 2017**

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

4. **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.

C. LABOUR RELATED LEGISLATIONS

We are governed by various Acts, Statutes and legislations for the safety and protection of the labour and employees either working for or engaged by the Company and its Subsidiary. We are required to ensure compliance of various labour and employment laws to conduct its business and projects. These include, but are not limited to the following:

- **Shops and Establishment Act as applicable for each State where our Company has a commercial establishment**;

  Under the provisions of local shops and establishments laws applicable in various states, establishments are required to be registered. Such laws regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees. The Gujarat Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2019 applies to our Company.

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

  The Contract Labour (Regulation and Abolition) Act, 1970, as amended from time to time ("CLRS") requires establishments that employ or have employed on any day in the preceding twelve months twenty or more workers as contract labour to be registered. The CLRA places an obligation on the principal employer of an establishment to which the CLRA applies to make an application for registration of the establishment. In the absence of registration, contract labour cannot be employed in the establishment. Likewise, every contractor to whom the CLRA applies is required to obtain a license and not to undertake or execute any work through contract labour except under and in accordance with the license issued.

  To ensure the welfare and health of contract labour, the CLRA imposes certain obligations on the contractor including the establishment of canteens, rest rooms, washing facilities, first aid facilities and provision of drinking water and payment of wages. In the event that the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time.

- **Fatal Accidents Act, 1855**

  The Fatal Accidents Act, 1855 provides that whenever the death of a person is caused by a wrongful act, neglect or default, such that, if death had not ensued, the act would have entitled the injured party to maintain an action and recover damages in respect thereof, the party who would have been liable if death had not ensued, shall be liable to an action or suit for damages, notwithstanding the death of the person injured.

- **Employee State Insurance Act, 1948**

  The Employees State Insurance Act, 1948 as amended from time to time ("ESI Act") is an act which provides for certain benefits to employees in case of sickness, maternity and employment injury and to make provision for certain other matters in relation thereto. It shall apply to all factories (including factories belonging to the Government other than seasonal factories) except those government employees who are in receipt of benefits substantially similar or superior to the benefits provided under the ESI Act, ESI Act requires all employees of the establishments to which it applies shall be insured in the manner provided thereunder the ESI Act. The employer and employees both are required to make contribution of the insurance. The return of contribution made is required to be filed with the Employee State Insurance Department.

- **Employees Provident Fund and Miscellaneous Provisions Act, 1952**

  The Employees Provident Funds and Miscellaneous Provisions Act, 1952, as amended from time to time ("**EPF Act**"), ensures compulsory provident fund, family pension fund and deposit linked insurance in factories and other establishments for the benefits of the employees. The EPF Act applies to all establishments engaged in any industry specified in Schedule I (of the EPF Act) that employ twenty or more persons and to any other establishment employing twenty or more persons or class of such establishments which the Government may specify by a notification. All the establishments specified under the EPF Act are required to be registered with the Provident Fund Commissioners of the State. Also, in accordance with the provisions of the EPF Act, the employers are required to contribute to the Employees' Provident Fund, the prescribed percentage of basic wages, dearness allowance and remaining allowance (if any) payable to the employees. The employee is also required to make an equal contribution to the fund.

- **The Employees' Compensation Act, 1923**

  The Employees Compensation Act, 1923 ("**EC Act**") (and the amendments thereof) provides for payment of compensation to injured employees or workmen by certain classes of employers for personal injuries caused due to an accident arising out of and during the course of employment. Under the EC Act, the amount of compensation to be paid depends on the nature and severity of the injury. The EC Act also lays down the duties/obligations of an employer and penalties in cases of non-fulfillment of such obligations thereof. There are separate methods of calculation or estimation of compensation for injury sustained by the employee. The employer is required to submit to the Commissioner for Employees' Compensation a report regarding any fatal or serious bodily injury suffered by an employee within seven days of death\ serious bodily injury.

- **Equal Remuneration Act, 1976**

  The Equal Remuneration Act, 1976 as amended from time to time ("**Remuneration Act**") alongwith the Equal Remuneration Rules, 1976 aims to provide for the payment of equal remuneration to men and women workers and for the prevention of discrimination, on the ground of sex, against women in the matter of employment and for matters connected therewith or incidental thereto. According to the Remuneration Act, no employer shall pay to any worker, employed by him/her in an establishment, a remuneration (whether payable in cash or in kind) at rates less favourable than those at which remuneration is paid by him to the workers of the opposite sex in such establishment for performing the same work or work of a similar nature.

  In addition, no employer shall for complying with the foregoing provisions of the Remuneration Act, reduce the rate of remuneration of any worker. No employer shall, while making recruitment for the same work or work of a similar nature, or in any condition of service subsequent to recruitment such as promotions, training or transfer, make any discrimination against women except where the employment of women in such work is prohibited or restricted by or under any law for the time being in force.

- **Industrial Disputes Act, 1947**

  The Industrial Disputes Act, 1947 ("**ID Act**'), as amended from time to time, provides the procedure for investigation and settlement of industrial disputes. When a dispute exists or is apprehended, the appropriate Government may refer the dispute to a labour court, tribunal or arbitrator, to prevent the occurrence or continuance of the dispute, or a strike or lock-out while a proceeding is pending. The labour courts and tribunals may grant appropriate relief including ordering modification of contracts of employment or reinstatement of workers. The ID Act provides for direct access for the workers to labour courts or tribunals in case of individual disputes and provided for the constitution of grievance settlement machineries in any establishment having twenty or more workers.

- **Maternity Benefit Act, 1961**

  Maternity Benefit Act, 1961, as amended from time to time ('**Maternity Benefit Act**'), is aimed at regulating the employment of women in certain establishments for certain periods before and after child birth and for providing for maternity benefit and certain other benefits. It applies to every establishment being a factory, mine or plantation including any such establishment belonging to government and to every establishment wherein persons are employed for the exhibition of equestrian, acrobatic and other performances. It also applies to every shop or establishment wherein ten or more persons are employed or were employed on any day of the preceding twelve months.

  According to the Maternity Benefit Act, every woman is entitled to, and her employer is liable for, the payment of maternity benefit at the rate of the average daily wage for the period of her actual absence, including the period immediately preceding the day of her delivery, the actual day of her delivery and any period immediately following that day.

- **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 as amended from time to time ("**SHWW Act**') provides for the protection of women at work place and prevention of sexual

harassment at work place. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behaviour namely, physical contact and advances or a demand or request for sexual favours or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature.

The SHWW Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee presided upon by a woman. It also provides for the manner and time period within which a complaint shall be made to the Internal Complaints Committee i.e. a written complaint is to be made within a period of three months from the date of incident. If the establishment has less than 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 Payment of Wages Act, 1936**

The Payment of Wages Act, 1936, as amended from time to time ('Wages Act') is aimed at regulating the payment of wages to certain classes of persons employed in certain specified industries and to ensure a speedy and effective remedy against illegal deductions or unjustified delay caused in payment of wages. It contains provisions in relation to the responsibility for payment of wages, fixing of wage periods, time of payment of wages, and maintenance of registers and records. It applies to the persons employed in a factory, industrial or other establishment or in a railway, either directly or indirectly, through a sub-contractor. Further, the Wages Act is applicable to employees drawing wages up to Rupees Eighteen Thousand per month or such other higher sum on the basis of figures of the Consumer Expenditure Survey published by the National Sample Survey Organisation.

- **The Minimum Wages Act, 1948**

The Minimum Wages Act, 1948, as amended from time to time ("**Minimum Wages Act**'), was enacted to provide for fixing minimum rates of wages in certain employments. The consequences of failure to adhere to the minimum rates of wages fixed under the Minimum Wages Act is in the form of liability to prosecution and punishment in the form of imprisonment of up to six months and/or fines of up to Rupees Five Hundred. Further, employees having earned less than the minimum wage fixed are entitled to the payment of shortfall amounts, in addition to a compensation, which may extend up to ten times the shortfall amount.

- **The Payment of Bonus Act, 1965**

The Payment of Bonus Act, 1965, as amended from time to time ("**Bonus Act**"), provides for payment of bonus based on profit or based on production or productivity to persons employed in factories or in establishments employing twenty or more persons on any day during an accounting year. It ensures that a minimum bonus is payable to every employee regardless of whether the employer has any allocable surplus in the accounting year in which the bonus is payable. Under the Bonus Act, the employer is bound to pay to every employee, in respect of the accounting year, a minimum bonus equal to 8.33% of the salary or wage earned by the employee during the accounting year or Rupees Hundred, whichever is higher.

- **Payment of Gratuity Act, 1972**

The Payment of Gratuity Act, 1972, as amended from time to time ("**Gratuity Act**"), provides for payment of gratuity, to an employee, at the time of termination of his services. Gratuity is payable to an employee on the termination of his employment after he has rendered continuous service for not less than five years: (a) on his/her superannuation; (b) on his/her retirement or resignation; (c) on his/her death or disablement due to accident or disease (in this case the minimum requirement of five years does not apply).

The Gratuity Act establishes a scheme for the payment of gratuity to employees engaged in factories, establishments in which ten or more persons are employed or were employed on any day of the preceding twelve months and in such other establishments in which ten or more persons are employed or were employed on any day of the preceding twelve months, as the Central Government may specify by notification. The maximum amount of gratuity payable to an employee is Rupees Ten Lakhs.

- **Trade Union Act, 1926**

  Provisions of the Trade Union Act, 1926 provides that any dispute between employers and workmen or between workmen and workmen, or between employers and employers which is connected with the employment, or non employment, or the terms of employment or the conditions of labour, of any person shall be treated as trade dispute. For every trade dispute a trade union has to be formed. 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.

D. INTELLECTUAL PROPERTY LAWS

The Trade Marks Act, 1999 ("**Trademarks Act**") read with the Trademark Rules 2002, as amended from time to time, governs the statutory protection of trademarks in India. Indian trademarks law permits the registration of trademarks for goods and services. Certification trademarks and collective marks are also registrable under the Trademarks Act. Applications for a trademark registration may be made for in one or more international classes. Once granted, trademark registration is valid for ten years unless cancelled. If not renewed after ten years, the mark lapses and the registration for such mark must be obtained afresh. Registered trademarks may be protected by means of an action for infringement. The owner of a registered trademark is prima facie regarded as the owner of the mark by virtue of the registration obtained. The Patents Act, 1970 ("**Patents Act**'), as amended from time to time, provides for the grant of patents to protect the legal rights tied to the intellectual property in inventions. A patent gives the holder of the patent the right to prevent others from exploiting the patented invention commercially in the country where the patent has been granted. In order for a patent to be granted to an invention, it must be novel, have an inventive step and should be capable of industrial application. The Patents Act sets out inventions that are not patentable along with the form and manner of application for patents. Patents obtained in India are valid for a period of twenty years from the date of filing the application. The Copyright Act, 1957 ("**Copyright Act**") protects original literary, dramatic, musical and artistic works, Cinematographic films and sound recordings from unauthorized use of such works. Unlike the case with patents, copyright protects the expressions and not the ideas. There is no copyright in an idea. The object of copyright law is to encourage authors, artists and composers to create original works by rewarding them with exclusive right for a fixed period to reproduce the works for commercial exploitation. Copyrights subsist in following class of works: a) Original literary, musical, dramatic and artistic works b) Cinematograph films c) Sound recordings Under the copyright law the creator of the original expression in a work is its author who is vested with a set of exclusive rights with respect to the use and exploitation of the work. The author is also the owner of the copyright, unless there is a written agreement by which the author assigns the copyright to another person or entity, such as a publisher, where work is done under a 'work for hire' agreement, the copyright vests with the hirer, i.e., the person providing the work.

E. ANTI – TRUST LAWS

Competition Act, 2002

The Competition Act, 2002, as amended from time to time ("**Competition Act**') aims to prevent anticompetitive practices that cause or are likely to cause an appreciable adverse effect on competition in the relevant market in India. The Competition Act prohibits anti-competitive agreements, abuse of dominant position and regulates combinations (mergers and acquisitions) with a view to ensure that there is no adverse effect on competition in the relevant market in India.

Under the Competition Act, the Competition Commission of India has powers to pass directions / impose penalties in cases of anti-competitive agreements, abuse of dominant position and combinations, provided the penalty is not more than ten per cent of the average turnover of the last three years.

F. REGULATIONS REGARDING FOREIGN INVESTMENT

The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("**DIPP**") makes policy announcements on FDI through press notes and press releases which are notified by the RBI as amendments to the FEMA. The DIPP issues the Consolidated FDI Policy which consolidates the policy framework on Foreign Direct Investment ("**FDI Policy**"), from time to time.

India's current FDI Policy issued by the DIPP with effect from August 28, 2017, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the 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. The Government vide (i) Press Note 1 (2018 Series) dated January 23, 2018; Press Note 2 (2018 Series) dated December 26, 2018 and (iii) Press Note 1 (2019 Series) dated January 1, 2019 has reviewed the FDI Policy on various sectors and made amendments to it. In terms of the FDI Policy, Foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the Government route, depending upon the sector in which foreign investment is sought to be made. In terms of the FDI Policy, the work of granting government approval for foreign investment under the FDI Policy and FEMA Regulations has now been entrusted to the concerned Administrative Ministries/Departments. Currently, 100% FDI is permitted under the automatic route in the companies which are engaged in "manufacturing" sector, i.e. is manufacturing of LPG cylinders.

The RBI, in exercise of its power under the FEMA, has also notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2017 ("**FEMA Regulations**") to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. The foreign investment in our Company is governed *inter alia* by the FEMA, as amended, FEMA Regulations, as amended, the FDI Policy issued and amended by way of press notes, and the SEBI FPI Regulations.

In addition to FDI being the mechanism for inbound investment in Indian entities, the Foreign Exchange Management Act, 1999 also allows Indian residents to invest in foreign entities through the FEM (Transfer or issue of any Foreign Security) Regulations, 2000. Direct investment outside India means investments, either under the Automatic Route or the Approval Route, by way of contribution to the capital or subscription to the Memorandum of a foreign entity or by way of purchase of existing shares of a foreign entity either by market purchase or private placement or through stock exchange, signifying a long-term interest in the foreign entity (Joint Venture or Wholly Owned Subsidiary)."Joint Venture (JV)"/ "Wholly Owned Subsidiary (WOS)" means a foreign entity formed, registered or incorporated in accordance with the laws and regulations of the host country in which the Indian party/Resident Indian makes a direct investment;

A foreign entity is termed as JV of the Indian Party/Resident Indian when there are other foreign promoters holding the stake along with the Indian Party. In case of WOS entire capital is held by the one or more Indian Party/Resident Indian.

G. GENERAL LAWS

In addition to the above, certain general principles from the Indian Contract Act, 1872, the Specific Relief Act, 1963, the Sale of Goods Act, 1930, the Consumer Protection Act, 1986 shall be applicable to the Company.

OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

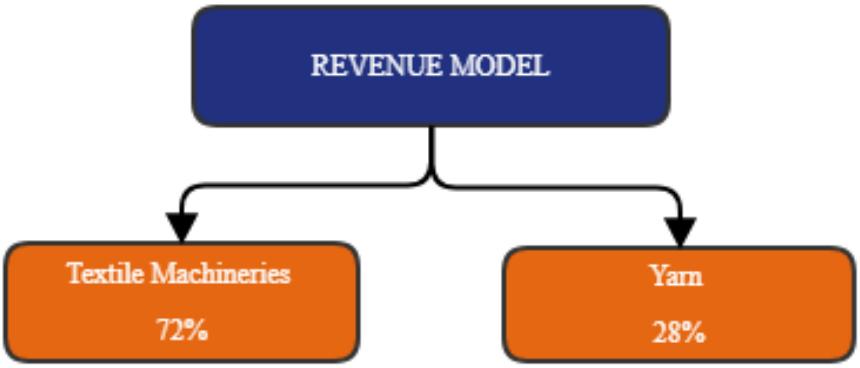
Our Company was originally incorporated as "Meera Industries Private Limited" on July 05, 2006 with the Registrar of Companies, Gujarat, Dadra and Nagar Havelli as a private limited company under the provisions of the Companies Act, 1956 bearing registration no. 048627. Pursuant to Deed of Assignment dated September 25, 2006 for takeover of assets and liabilities of M/s. Meera Industries, our Company acquired the business of M/s. Meera Industries, a proprietorship concern of one of our Promoter Mrs. Bijal D. Desai. Further the status of the Company was changed to public limited and the name of our Company was changed to "Meera Industries Limited" vide Special Resolution dated February 25, 2017. The fresh certificate of incorporation consequent to conversion to Public Limited Company was issued on March 09, 2017 by the Registrar of Companies, Ahmedabad. The Company's Corporate Identity Number is L29298GJ2006PLC048627.

OVERVIEW

Our Company was originally incorporated as Meera Industries Private Limited on July 05, 2006 with the Registrar of Companies, Gujarat Dadra and Nagar Haveli as a private limited company under the provisions of the Companies Act, 1956. Subsequently, our Company was converted into public limited Company pursuant to shareholders resolution passed at the Extra-Ordinary General Meeting held on February 25, 2017 and the name of our Company was changed to Meera Industries Limited. A fresh certificate of incorporation consequent upon conversion to public limited Company was issued by the Registrar of Companies, Ahmadabad on March 09, 2017. Further our company came out with Initial Public Offer in the year 2017 and got listed to SME exchange of BSE Ltd. on May 15, 2017.

Our Company is a growing textile machine manufacturer dealing in twisting, cabling, winding and heat setting machines. We design, develop and sell high-performance machines to various processing and manufacturing units in the textile industry. The huge repository of knowledge and technology base that our Company has developed since inception is a strong base to outperform the competition and be abreast in the market. This supports our Company to constantly upgrade the technologies to meet present and futuristic requirements of our customers. We ensure the quality of our products through rigorous testing including testing of sub system before integration and followed by testing of the entire system when assembled. We provide a combination of designing, manufacturing, testing facilities and after sales support that provides customer delight to the equipment offered by us.

Our Company has started its own yarn twisting division in Fiscal 2017-18, which includes processing and selling of yarn. Yarn Twisting includes uniting two or more doubled yarn ends to hold the constituent fibres together, thus giving enough strength to the yarn, and also producing a continuous length of yarn. The revenue model of our Company as on March 31, 2019 based on the two segments is as follows:



We cater to the domestic market having a PAN India customer base for our textile machinery products as well as our yarn twisting division. We have also developed an extensive export market for our textile machinery products covering continents like America, South America, Africa, Europe and Asia and include major countries like Germany, Spain, Turkey, Thailand, Belgium, Italy, Kenya, Nigeria, South Africa, Peru, Bolivia and USA to name a few. With a view to expand our markets in the western countries, we incorporated Meera Industries USA LLC as our wholly owned subsidiary. Our subsidiary, situated in the State of Northern Carolina began its operations in 2017 and caters to our growing base of customers in the USA, Canada and various South American countries like Mexico, Ecuador, Peru, etc.

Our Managing Director and Promoter, Mr. Dharmesh V. Desai has experience of around two decades of experience in manufacturing of yarn twisting, winding and heat-setting machines for textile industries. He actively participates in timely execution of the Business Orders and is the guiding force behind the growth and business strategy of our Company. Our promoter, Mrs Bijal D. Desai is currently associated with the production department and also heading the human resource, logistics and administration department of our Company.

For further details regarding our business operations, please see "*Our Business*" beginning on page no. 85 of this Prospectus.

Our Company has 338 shareholders as on May 31, 2019.

MAJOR EVENTS IN THE HISTORY OF OUR COMPANY

Year	Major Events/ Achievements
July 2006	Incorporation of our Company
September 2006	Acquisition of M/s. Meera Industries, a proprietary concern of Mrs. Bijal D. Desai and transfer of the stock-in-trade of M/s. Radhe Industries, a proprietary concern of Mr. Dharmesh V. Desai
February 2017	Changed the status of our Company from Private to Public i.e. Meera Industries Limited and aligning MoA with Companies Act, 2013.
April 2017	Raised funds through IPO on SME Platform of BSE Limited
May 2017	Meera Industries USA LLC became our Wholly Owned Subsidiary
August 2017	Commenced operations of Yarn Division

MAIN OBJECTS AS PER MEMORANDUM OF ASSOCIATION

Our Company's main objects as per the Memorandum of Association are as follows:

1. To carry on the business of engineers, founders, and manufacturers of implements and machinery including machinery used in textile industry, tools maker, brass founder, metal workers, boiler makers, millwrights, machinists, iron and steel converters, smiths, wood workers, builders, painters, metallurgists, and to buy, sell, repair, manufacture, convert, alter, let on hire, deal in machinery, implements, rolling stock and hardware of all kinds and the production of any other articles and things which may be usefully or conveniently combined with the business of the Company.

2. To carry on the business in India as processors, manufacturers, producers, makers, inventors, designers, converters, repairers, assemblers, cleaners, importers, exporters, traders, sellers, buyers, retailers, suppliers, wholesalers, indenters, packers, movers, preservers, stockiest, sub-agents, agents, merchants, distributors, consignors, jobbers, brokers, concessionaires or otherwise deal in textile machines, lathes, shaping machines, drilling machines, milling machines, boring machines, grinding machines, cutting machines, jigs, joiners, measuring instrument, and other workshop machinery and tools of every kind.

CHANGES IN REGISTERED OFFICE OF OUR COMPANY

As on the date of this Prospectus, our Registered Office is located at 2126, Road No. 2 GIDC, Sachin, Surat, Gujarat - 394230, India. There has been no change in the address of the registered office of our Company since incorporation.

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
March 02, 2009	Increase in Initial Authorised share capital of our Company from ₹ 1,00,00,000 consisting of 10,00,000 Equity Shares of ₹ 10 each to ₹ 1,25,00,000 consisting of 12,50,000 Equity shares of ₹ 10 each.

Date	Nature of Amendment
January 28, 2017	Authorised share capital of our Company was increased from ₹ 1,25,00,000 consisting of 12,50,000 Equity shares of ₹ 10 each to ₹ 5,00,00,000 consisting of 50,00,000 Equity shares of ₹ 10 each.
January 28, 2017	The Object Clause of Memorandum of Association was replaced in its entirety for compliance with the provisions of the Companies Act, 2013 and the rules thereunder.
February 25, 2017	Change in the name of our Company from "*Meera Industries Private Limited*" to "*Meera Industries Limited*" pursuant to the conversion from Private Limited to Public Limited Company.

SUBSIDIARY

For details of our Subsidiary, please refer chapter titled "*Our Subsidiary*" on page no. 112 of this Prospectus.

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 Prospectus, there is no Holding Company of our Company.

JOINT VENTURES

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

REVALUATION OF ASSETS IN THE LAST TEN YEARS

There has been no revaluation of assets of our company in last 10 years from the date of this Prospectus.

SHAREHOLDERS' AGREEMENT

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

ACQUISITION OF BUSINESS / UNDERTAKINGS

Our Company has acquired business and assets and liabilities of Meera Industries, a proprietary concern through a deed of assignment of business dated September 25, 2006. For further details please refer "*Capital Structure*" on page no. 48 of this Prospectus.

DIVESTMENT OF BUSINESS / UNDERTAKING BY COMPANY IN THE LAST TEN YEARS

Our company has not divested any of its business / undertaking in last 10 years from the date of this Prospectus.

FINANCIAL PARTNERS

As on the date of this Prospectus, apart from the various arrangements with bankers and financial institutions which our Company undertakes in the ordinary course of business, our Company does not have any other financial partners.

DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS / BANKS

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

STRATEGIC PARTNERS

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

OTHER AGREEMENTS

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

INJUNCTIONS OR RESTRAINING ORDERS

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

OUR SUBSIDIARY

As on date of this Prospectus, our Company has one Subsidiary Company, namely Meera Industries USA LLC, the details of which is provided below:

1. Meera Industries USA LLC, USA

Corporate Information

Meera Industries USA LLC was incorporated vide Articles of Association approved by Secretary of State of Northern Carolina on October 07, 2016 pursuant to a Limited Liability Company Operating Agreement. The capitalization of Meera Industries USA LLC was done in May 2017 whereby our Company invested in its shares and hence it became our WOS w.e.f. May 22, 2017. The registered Office of Meera Industries USA, LLC is situated at 209, Swathmore Avenue, High Point, NC 27263.

Nature of Business

Meera Industries, USA LLC was established to carry out the business of yarn twisting and textile machinery manufacturing and trading.

Capital Structure

The Share Capital of Meera Industries USA, LLC as on the date of this prospectus consists of $ 1,00,000 held by our Company.

Financial Information

The brief financial details of Meera Industries USA LLC derived from its audited financial statement for Fiscals 2019 and 2018 are set forth below:

(₹ in Lakhs)

Particulars	As at March 31	
	2019	2018
Equity Shares Fully Paid	64.76	64.76
Retained Earnings including Net Income	26.16	(16.59)
Networth	90.92	48.17
Income including Other Income	234.83	139.39
Net Income	42.74	(14.33)
Earnings Per Share (EPS in ₹)	4,274.38	Negative
Net Asset Value (NAV) per Share (in ₹)	9,091.63	4,817.25

Note:

1. *In case March 31 of any of the respective years is a public holiday, the previous calendar day not being a public holiday has been considered;*
2. *Share Capital consists of 100 Shares @ 1,000 USD each;*
3. *Meera Industries USA LLC was incorporated in October 2016; however, it began operations in June 2017.*

There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initialed for economic offences against Meera Industries USA, LLC.

ACCUMULATED PROFITS OR LOSSES OF OUR SUBSIDIARY

There are no accumulated profits or losses of any of our Subsidiary, not accounted for, by our Company.

OTHER CONFIRMATIONS

Meera Industries USA, LLC has not:

(i) been refused listing on any stock exchange in India or abroad or

(ii) has made any capital issue, including public or rights issue in the last three years

(iii) become a sick company as specified under SICA or
(iv) been under winding up insolvency or bankruptcy proceedings, or
(v) become defunct;
(vi) made an application to the relevant authority, in the five years preceding from the date of filing this Prospectus with SEBI, for striking off its name;
(vii) received any significant notes on the financial statements from the auditors and
(viii) identified as willful defaulter as defined under the SEBI ICDR Regulations.

COMMON PURSUITS

Our Subsidiary is engaged in the similar line of business that is and/or synergistic to the business of our Company. Further, currently we do not have any non-compete agreement/arrangement with our Subsidiary. We shall adopt the necessary procedures and practices as permitted by law to address any conflict situations, as and when they may arise.

For details on related business transactions between our Subsidiary and our Company and significance of such transactions on the financial performance of our Company please see, *"Annexure XXV of Restated Consolidated Financial Statements"* and *"Annexure XXV of Standalone Financial Statements"* on page nos. 162 and 198, under section *"Financial Statements"* on page no. 133 and *"Management Discussion and Analysis of Financial Condition and Results of Operations"* on page no. 206 of this Prospectus.

INTEREST OF THE SUBSIDIARY IN OUR COMPANY

Our Subsidiary neither hold Equity Shares in our Company nor has any interest including interest in the promotion of our Company or any business interest in our Company's business other than as stated in "*Financial Statements*" on page no. 133 of this Prospectus.

MATERIAL TRANSACTIONS

Other than as disclosed in *"Annexure XXV of Restated Consolidated Financial Statements"* and *"Annexure XXV of Standalone Financial Statements"* on page nos. 162 and 198, under section *"Financial Statements"* on page no. 133, there are no sales or purchase transaction between our Company and our Subsidiary where such sales or purchases exceed in value in the aggregate 10% of the total sales or purchases of our Company. For details, please see *"Annexure XXV of Restated Consolidated Financial Statements"* and *"Annexure XXV of Standalone Financial Statements"* on page nos. 162 and 198, under section *"Financial Statements"* on page no. 133 and "*Management Discussion and Analysis of Financial Condition and Results of Operations*" on page no. 206 of this Prospectus.

OUR MANAGEMENT

Board of Directors:

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

Name, Current Designation, Address, Occupation, Term and DIN	Nationality	Age	Other Directorships
Mr. Dharmesh V. Desai *Chairman & Managing Director* **Date of Birth:** March 26, 1973 **Address**: A-701, Ashoka Pavallion, Bhatar Road, Opp. Kapadiya Health Club, New Civil Road, Surat, Gujarat - 395001. **Date of appointment as Director:** July 05, 2006 **Date of appointment as Chairman & Managing Director:** January 01, 2017 **Term:** Appointed as Chairman & Managing Director for a period of three years i.e. from January 01, 2017 to December 31, 2019 **Occupation:** Business **DIN:** 00292502	Indian	46 Years	• Science Engineering & Technological Upliftment Foundation
Mrs. Bijal D. Desai *Wholetime Director* **Date of Birth:** March 09, 1976 **Address:** A-701, Ashoka Pavallion, Bhatar Road , Opp. Kapadiya Health Club, New Civil Road, Surat, Gujarat - 395001 **Date of appointment as Director:** July 05, 2006 **Date of appointment as Wholetime Director:** January 01, 2017 **Term:** Appointed as Wholetime Director for a period of three years i.e. from January 01, 2017 to December 31, 2019 and subject to retire by rotation. **Occupation:** Business **DIN:** 00292319	Indian	43 Years	Nil
Mr. Mayank Y. Desai *Non - Executive Director* **Date of Birth:** December 25, 1972	Indian	46 Years	• Uniserve Infraprojects Private Limited • Geepage (India) Infosystem Private Limited

Name, Current Designation, Address, Occupation, Term and DIN	Nationality	Age	Other Directorships
Address: 50, Shreedarshan Society, B/h. St. Xaviers School, Ghod Dod Road, Surat, Gujarat-395001 **Date of appointment as Additional Non Executive Director:** January 28, 2017 **Date of regularisation as Non Executive Director:** August 12, 2017 **Term:** Liable to retire by rotation **Occupation:** Professional **DIN:** 00354210			• Uniserve Solutions Private Limited
Mr. Hetal R. Mehta *Non Executive Independent Director* **Date of Birth:** December 11, 1965 **Address:** D-25, Balaji Nagar Society, Lake View Hotel, Piplod Choriyasi, Surat, Gujarat – 395007. **Date of appointment as Additional Independent Director:** April 07, 2017 **Date of regularisation of Independent Director:** August 12, 2017 **Term:** Appointed as Non Executive Independent Director for a period of five years i.e. till August 11, 2022 **Occupation:** Business **DIN:** 03370244	Indian	53 Years	• Aaron Industries Limited • Ikratos Solargie Private Limited • ECO Dwellings Private Limited • Science Engineering & Technological Upliftment Foundation • Alliance For Small & Medium Enterprises of India • The Southern Gujarat Chamber of Commerce and Industry • Enertia Enframedia Private Limited • Renewable Energy Promotion Association
Mr. Sanjay N. Mehta *Non Executive Independent Director* **Date of Birth:** October 20, 1950 **Address:** 6, Vatika, 14, Baptista Road, Vile Parle (West), Mumbai - 400056, Maharashtra. **Date of appointment as Additional Independent Director:** October 10, 2017 **Date of regularisation as Independent Director:** August 02, 2018 **Term:** Appointed as Non Executive Independent Director for a period of five years i.e. till October 09, 2022	Indian	68 Years	• Span Divergent Limited • Neogen Chemicals Limited • Athreyas Wellness Private Limited • Span Finstock Private Limited • Cognate Biolabs Private Limited

Name, Current Designation, Address, Occupation, Term and DIN	Nationality	Age	Other Directorships
Occupation: Professional **DIN:** 00002817			

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 or Key Management Personnel were selected as a Director or member of the senior management.
- There is no service contracts entered into by the Directors with our Company providing for benefits upon termination of employment.
- None of the Directors is or was a director of any listed company during the last five years preceding the date of this Prospectus, whose shares have been or were suspended from being traded on the BSE or the NSE, during the term of their directorship in such company.
- None of the Directors is or was a director of any listed company which has been or was delisted from any recognized stock exchange in India during the term of their directorship in such company.
- None of the Directors is categorized as a wilful defaulter, as defined under SEBI (ICDR) Regulations.
- None of the Promoters, or Directors has been or is involved as a promoter or director of any other Company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority

RELATIONSHIP BETWEEN DIRECTORS

None of Directors on our Board are related to each other, except Mr. Dharmesh V. Desai and Mrs. Bijal D. Desai who are husband and wife.

BRIEF BIOGRAPHIES OF OUR DIRECTORS

Mr. Dharmesh V. Desai

Mr. Dharmesh V. Desai, aged 46 years, is the Promoter, Chairman & Managing Director of our Company. He holds Bachelor of Engineering (Mechanical) Degree from South Gujarat University. Post qualification, he was associated with Garden Silk Mills Limited as Design Engineer and with Premier Looms Manufacturers Private Limited as Product Head (TFO division). In 2006, he and Mrs. Bijal D. Desai formed our Company with a vision to start an own venture and expand markets internationally. He has experience of more than two decades in manufacturing of yarn twisting, winding and heat-setting machines for textile industries. His functional responsibility in our Company involves handling the overall business affairs of the Company including planning business marketing strategies, capacity expansion, and overall development of the business of our Company. He has been on our Board since the incorporation of our Company.

Mrs. Bijal D. Desai

Mrs. Bijal D. Desai, aged 43 years, is the Promoter of our Company and is also the Wholetime Director of our Company with more than 13 years of experience in production and human resource department. She holds a Master's degree in Science from the Veer Narmad South Gujarat University. She is currently heading the human resource, administration and logistics department of our Company.

Mr. Mayank Y. Desai

Mr. Mayank Y. Desai, aged 46 years, is a Non Executive Director of our Company since January 28, 2017. He has a Bachelor's degree in Commerce from South Gujarat University and is also a fellow member of Institute of Chartered Accountants of India. He has more than two and a half decade of experience in finance sector including audit, taxation, project financing etc. In 1993, he started his career with M/s. Y B Desai & Associates as management trainee. Post training he was employed with M/s. Y B Desai & Associates and on June 01, 2003 he was promoted to the level of Partner. Meanwhile, he also started his own venture M/s. Mayank Desai and Associates, a Proprietorship concern in 2000 and M/s. Mayank Desai & Co., a Partnership Firm in 2007.

Mr. Hetal R. Mehta

Hetal Mehta, aged 53 years is an Independent Director of our Company since April 07, 2017. He has completed Diploma in Mechanical Engineering from Technical Examinations Board, Gujarat, Bachelor of Engineering from South Gujarat University, Approved Valuer Certification from Institute of Valuers, India. He has around two and a half decade of experience in the field of Engineering (Machinery & Plant). He has held and holds various honorary positions in various organisation inter-alia President of The Southern Gujarat Chamber of Commerce & Industry, President of All India Electric Motor Association, Mumbai, Executive Member of Institute of Engineers South Gujarat Local Chapter etc. In the past, he has been awarded *"Award of Honorary Citizen"* of Naperville, USA and "*Indira Gandhi Sadbhavana National Award*" for outstanding individual achievement and distinguished service to the Nation.

Mr. Sanjay N. Mehta

Mr. Sanjay N. Mehta, aged 68 years, is the Independent Director of our Company since October 10, 2017. He is a fellow member of Institute of Chartered Accountants of India and also is a qualified Cost and Works Accountant. He has more than four decades of experience in Finance Industry. He is the founding partner of M/s Akkad Mehta & Co, Chartered Accountants, a partnership firm with specialization in corporate audit and taxation, FEMA regulatory compliances, international taxation, corporate law, merger & acquisition.

Borrowing Powers of our Board of Directors

Our Company at its Extra-Ordinary General Meeting held on February 25, 2017 passed a resolution authorizing Board of Directors pursuant to the provisions of section 180 (1) (c) of the Companies Act, 2013 or any amendments or modifications thereof, the Board of Directors of the Company be and are hereby authorized to borrow monies from time to time in excess of 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 ₹ 200 crores.

REMUNERATION/COMPENSATION/COMMISSION PAID TO DIRECTORS

The gross remuneration paid to the Directors for F.Y. 2018-19 as follows:

Sr. No.	Name of Directors	Remuneration paid during F.Y. 2018-19 (₹ in lakhs)
1.	Mr. Dharmesh V. Desai	30.00
2.	Mrs. Bijal D. Desai	21.00

REMUNERATION TO OUR EXECUTIVE DIRECTOR

The compensation payable to our Managing Director and Wholetime Director will be governed as per the terms of their appointment and shall be subject to the provisions of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, 1956, for the time being in force).

TERMS AND CONDITIONS OF EMPLOYMENT OF OUR EXECUTIVE DIRECTOR

Mr. Dharmesh V. Desai

The compensation package payable to him as resolved in the shareholders meeting held on February 25, 2017 is stated hereunder:

Salary	₹ 30.00 lakhs per annum
Remuneration in the event of loss or inadequacy of profits	In the event of inadequacy or absence of profits in any financial years during his tenure, the Chairman & Managing Director will be entitled to the remuneration mentioned above by way of minimum remuneration.

Mrs. Bijal D. Desai

The compensation package payable to her as resolved in the shareholders meeting held on February 25, 2017 is stated hereunder:

Salary	₹ 21.00 lakhs per annum
Remuneration in the event of loss or inadequacy of profits	In the event of inadequacy or absence of profits in any financial years during his tenure, the Wholetime Director will be entitled to the remuneration mentioned above by way of minimum remuneration.

PAYMENT OR BENEFIT TO NON-EXECUTIVE OR INDEPENDENT DIRECTORS OF OUR COMPANY

Pursuant to a resolution passed at the meeting of the Board of the Company on March 23, 2017 and subsequent meeting dated June 24, 2017, the Non Executive Directors and Independent Directors will be paid ₹ 5,000/- for attending every Board Meeting and meetings of Committees of the Company.

Remuneration paid (including Sitting Fees) to our Non Executive Directors and Independent Director in Fiscal 2018: ₹ 1.35 lakhs.

REMUNERATION PAID TO DIRECTORS BY OUR SUBSIDIARY OR ASSOCIATE COMPANIES

As on date of this Prospectus, our Executive Directors are not receiving remuneration from Subsidiary or Associate Company of our Company.

Shareholding of Directors

The following table sets forth the shareholding of our Directors as on May 31, 2019:

Name of Directors	No. of Equity Shares Held	Percentage of Pre Issue Capital (%)	Percentage of Post Issue Capital (%)
Mr. Dharmesh V. Desai	11,69,662	29.78%	26.29%
Mrs. Bijal D. Desai	13,55,338	34.51%	30.46%
Mr. Mayank Y. Desai	24,973	0.64%	0.56%
Total Holding of Directors	**25,49,973**	**64.93%**	**57.31%**

Apart from mentioned above, no other Director hold any shares in our Company.

APPOINTMENT OF RELATIVES OF OUR DIRECTORS TO ANY OFFICE OR PLACE OF PROFIT

None of the relatives of our Directors currently hold any office or place of profit in our Company

Interest of the Directors

Our Directors may be deemed to be interested in the promotion of the Company to the extent of the Equity Shares held by them and also to the extent of any dividend payable to them on their holding of such shares and other distributions in respect of the aforesaid Equity Shares. For further details, refer *"Annexure XXV of Restated Consolidated Financial Statements"* and *"Annexure XXV of Standalone Financial Statements"* on page nos. 162 and 198, under section *"Financial Statements"* on page no. 133 and "*Our Promoter and Promoter Group*" beginning on page nos. 127 of this Prospectus.

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*" on page no. 114 of this Prospectus and *"Annexure XXV of Restated Consolidated Financial Statements"* and *"Annexure XXV of Standalone Financial Statements"* on page nos. 162 and 198, under section *"Financial Statements"* on page no. 133, 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 Prospectus, our Directors have no interest in any property acquired or proposed to be acquired by our Company as on the date of this Prospectus.

Changes in the Board of Directors in the last three years

Following are the changes in our Board of Directors in the last three years:

Name of Director	Date of Appointment / Reappointment/ Cessation	Particulars
Mr. Dharmesh V. Desai	January 18, 2017	Change in designation as Chairman & Managing Director
Mrs. Bijal D. Desai	January 18, 2017	Change in designation as Wholetime Director
Mr. Mayank Y. Desai	January 28, 2017	Appointment as Non Executive Director
Mr. Swaminathan S. Iyer	March 23, 2017	Appointment as Independent Director
Mr. Yatish C. Parekh	March 23, 2017	Appointment as Independent Director
Mr. Yatish C. Parekh	April 07, 2017	Cessation
Mr. Hetal R. Mehta	April 07, 2017	Appointment as Independent Director
Mr. Swaminathan S. Iyer	May 30, 2017	Cessation
Mr. Sanjay N. Mehta	October 10, 2017	Appointment as Independent Director

Corporate Governance

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, to the extent applicable. The Board functions either as a full board or through various committees constituted to oversee specific functions. Our executive management provides our Board detailed reports on its performance periodically.

Currently, our Board has five (5) Directors. In compliance with the requirements of the Companies Act, 2013, we have two (2) Executive Directors and one (1) Non-Executive Director and two (2) Non-Executive Independent Directors are on our Board. Further, we have one (1) Woman Director on 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
4. CSR Committee

1. Audit Committee

The Audit Committee of our Board was re-constituted by our Directors by a board resolution dated October 10, 2017. The Audit Committee comprises of:

Name of the Director	Status in Committee	Nature of Directorship
Mr. Hetal R. Mehta	Chairman	Independent Director
Mr. Manyank Y. Desai	Member	Non Executive Director
Mr. Sanjay N. Mehta	Member	Independent Director

The Company Secretary of the Company shall act as the Secretary of the Audit Committee.

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:

1. To investigate any activity within its terms of reference

2. To seek information from any employee

3. To obtain outside legal or other professional advice

4. To secure attendance of outsiders with relevant expertise if it considers necessary

The Audit Committee shall mandatorily review the following information:

a) Management discussion and analysis of financial condition and results of operations;

b) Statement of significant related party transactions (as defined by the audit committee), submitted by management;

c) Management letters / letters of internal control weaknesses issued by the statutory auditors;

d) Internal audit reports relating to internal control weaknesses; and

e) The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

f) statement of deviations: (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1); (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

Meeting of Audit Committee

The audit committee shall meet as and when necessary and as and when required by the Board. 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 Stakeholder's Relationship Committee of our Board was re-constituted on October 10, 2017. The Stakeholder's Relationship Committee comprises of:

Name of the Director	Status in Committee	Nature of Directorship
Mr. Mayank Y. Desai	Chairman	Non Executive Director
Mr. Hetal R. Mehta	Member	Independent Director
Mr. Sanjay N. Mehta	Member	Independent Director

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

- To look into the redressal of grievances of shareholders, debenture holders and other security holders;
- To investigate complaints relating to allotment of shares, approval of transfer or transmission of shares;
- To consider and resolve the grievances of the security holders of the company including complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends; and
- To carry out any other function as prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as and when amended from time to time."

Quorum and Meetings

The quorum necessary for a meeting of the Stakeholder's 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 reconstituted on October 10, 2017. The Nomination and Remuneration Committee currently comprises of:

Name of the Director	Status in Committee	Nature of Directorship
Mr. Hetal R. Mehta	Chairman	Independent Director
Mr. Mayank Y. Desai	Member	Non Executive Director
Mr. Sanjay N. Mehta	Member	Independent Director

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.

e) to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

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.

4. Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee of our Board was constituted on December 21, 2018. The Corporate Social Responsibility Committee currently comprises of:

Name of the Director	Status in Committee	Nature of Directorship
Mr. Sanjay N. Mehta	Chairman	Independent Director
Mr. Hetal Mehta	Member	Independent Director
Mr. Mayank Y. Desai	Member	Non Executive Director

The scope of Corporate Social Responsibility Committee shall include but shall not be restricted to the following:

1. To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII as amended from time to time;
2. To recommend the amount of expenditure to be incurred on the CSR activities;
3. To monitor the implementation of framework for Corporate Social Responsibility Policy;
4. To carry out any other function as mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for performance of its duties.

Quorum and Meetings

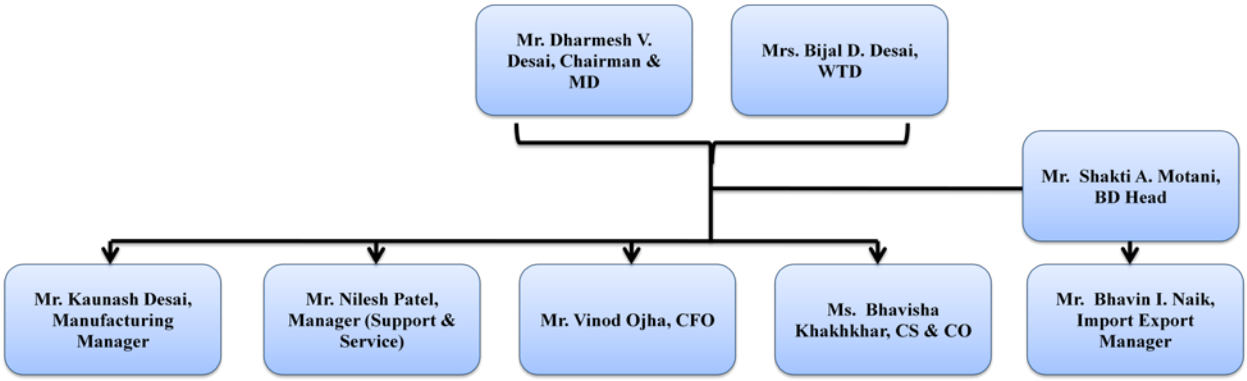
The quorum necessary for a meeting of the Corporate Social Responsibility Committee shall be two members or one third of the members, whichever is greater.

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 are applicable to our Company. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of our Equity Shares on stock exchange. Further, Board of Directors have approved and adopted the policy on insider trading in view of the proposed public issue.

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

Management Organization Structure



Abbreviation & Terms:

BD	:	Business Development
CFO	:	Chief Financial Officer
CS & CO	:	Company Secretary & Compliance Officer
MD	:	Managing Director

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 (Approx.)
Mr. Dharmesh V. Desai	Chairman & Managing Director	January 01, 2017	30.00	Bachelor of Engineering (Mechanical)	• Garden Silk Mills Limited • Premier Looms Manufacturers Private Limited	21 Years
Mrs. Bijal D. Desai	Wholetime Director	January 01, 2017	21.00	Master's degree in Science	-	13 Years
Mr. Vinod S. Ojha	Chief Financial Officer	May 16, 2016(1)	7.75	Bachelor in commerce	Anil K. Maheshwari & Co.	6 Years (Including 3 years training)
Mr. Shakti A. Motani	Business Development Head	December 01, 2017	16.01	Bachelor in commerce	• Sanwariya Yarn Proceasors Private Limited • Creative Textiles Mills Private Limited • Hi Tex Fabrics	17 Years
Mr. Bhavin I. Naik	Import Export Manager	July 05, 2006(2)	3.56	Bachelor in Commerce	• Garden Silk Mills Limited	17 Years

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 (Approx.)
					• Meera lndustries	
Ms. Bhavisha K. Khakhkhar	Company Secretary & Compliance Officer	April 25, 2018	5.38	Bachelor in Commerce & Company Secretary	• Ventura Airconnect Limited, Surat • Bhagat Associates	4 Years (Including 15 months training)
Mr. Kaunash Desai	Manufacturing Manager	January 01, 2008[3]	5.52	BA in Social Science	• Radhe Industries • Mahavir Dye Chem	21 Years
Mr. Nilesh B. Patel	Manager (Support & Service)	July 05, 2006[4]	5.76	Mechanical Draftsman & Diploma Electrical Engineering	• Sugar Factory (Mahua) • Flexpro Electricals	18 Years

(1) *Mr. Vinod S. Ojha was appointed as "Manager Finance" on May 16, 2016 and was promoted as "Chief Financial Officer" on April 01, 2017.*

(2) *Mr. Bhavin I. Naik was appointed as "Export Executive" on July 05, 2006 and promoted as "Import Export Manager" on April 01, 2018.*

(3) *Mr. Kaunash Desai was appointed as "Workshop Supervisor" on January 01, 2008 and promoted as "Manufacturing Manager" on April 01, 2018.*

(4) *Mr. Nilesh B. Patel was appointed as "Electrical Engineer" on July 05, 2006 and promoted as "Manager (Support & Service)" on April 01, 2018.*

Other Notes –

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

Except Mr. Dharmesh V. Desai and Mrs. Bijal D. Desai who are related as husband and wife, none of the KMPs are related parties as per the Accounting Standard 18.

Arrangement / Understanding with Major Shareholders / Customers / Suppliers

None of the KMPs 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 May 31, 2019 except as mentioned below:

Name of KMP	No. of Equity Shares Held	Percentage of Pre Issue Capital (%)	Percentage of Post Issue Capital (%)
Mr. Dharmesh V. Desai	11,69,662	29.78%	26.29%
Mrs. Bijal D. Desai	13,55,338	34.51%	30.46%
Mr. Shakti A. Motani	2,000	0.05%	0.04%
Mr. Nilesh B. Patel	1,000	0.03%	0.02%
Mr. Kaunash Desai	1,027	0.03%	0.02%
Total	**25,29,027**	**64.39%**	**56.84%**

Contingent and deferred compensation payable to our Director and Key Managerial Personnel

There is no contingent or deferred compensation payable to our Directors and Key Managerial Personnel, which does not form a part of their remuneration.

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, key managerial personnel.

Employee Share Purchase and Employee Stock Option Scheme

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

Payment or Benefit to our Key Managerial Personnel

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

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

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

Name	Designation	Date of Joining/ Change in Designation	Reason of Change
Mr. Dharmesh V. Desai	Chairman & Managing Director	January 01, 2017	Appointment as Chairman & Managing Director
Mrs. Bijal D. Desai	Wholetime Director	January 01, 2017	Appointment as Wholetime Director
Mr. Parvez Shaikh	Compliance Officer	April 01, 2017	Appointment as Company Secretary
Mr. Vinod S. Ojha	Chief Financial Officer	April 01, 2017	Change in Designation as Chief Financial Officer
Mr. Shakti A. Motani	BD Head	December 01, 2017	Appointment as BD Head
Mr. Bhavin I. Naik	Import Export Manager	April 01, 2018	Change in Designation as Import Export Manager
Mr. Kaunash Desai	Manufacturing Manager	April 01, 2018	Change in Designation as Manufacturing Manager
Mr. Nilesh B. Patel	Manager (Support & Service)	April 01, 2018	Change in Designation as Manager (Support & Service)
Mr. Parvez Shaikh	Company Secretary and Compliance Officer	April 03, 2018	Cessation as Company Secretary and Compliance Officer
Ms. Bhavisha K. Khakhkhar	Company Secretary and Compliance Officer	April 25, 2018	Appointment as Company Secretary and Compliance Officer

OUR PROMOTERS AND PROMOTER GROUP

THE PROMOTERS OF OUR COMPANY ARE:

1. Mr. Dharmesh V Desai
2. Mrs. Bijal D Desai

The details of our Promoters are provided below:

Mr. Dharmesh V Desai

Mr. Dharmesh V. Desai, aged 46 years, is the Promoter, Chairman & Managing Director of our Company. He holds Bachelor of Engineering (Mechanical) Degree from South Gujarat University. Post qualification, he was associated with Garden Silk Mills Limited as Design Engineer and with Premier Looms Manufacturers Private Limited as Product Head (TFO division). In 2006, he and Mrs. Bijal D. Desai formed our Company with a vision to start an own venture and expand markets internationally. He has experience of more than two decades in manufacturing of yarn twisting, winding and heat-setting machines for textile industries. His functional responsibility in our Company involves handling the overall business affairs of the Company including planning business marketing strategies, capacity expansion and overall development of the business of our Company. He has been on our Board since the incorporation of our Company.

For details of Mr. Dharmesh V. Desai, please see the section titled "*Our Management*" beginning on page no. 114 of this Prospectus.

Address	A- 701 Ashoka Pavallion, Opp. Kapadiya Health Club, New Civil Road, Surat City, Gujarat – 395001
Date of Birth	March 26, 1973
PAN	ACCPD6316Q
Passport No.	Z2761433
Voter Id	GJ/25/167/360174
Driver's License No.	GJ05 19930093917
Aadhaar No.	8028 6927 5900
Name of Bank & Branch	Kotak Mahindra Bank, Sachin Branch, Surat, Gujarat
Bank A/c No.	2911416789
Other Interests	• Dharmesh V. Desai (HUF)

Mrs. Bijal D. Desai

Mrs. Bijal D. Desai, aged 43 years, is the Promoter of our Company and is the Wholetime Director of our Company with more than 13 years of experience in production and human resource department. She holds a Master's degree in Science from the Veer Narmad South Gujarat University. She is currently heading the human resource, administration department and logistics of our Company.

For details of Mrs. Bijal D. Desai, please see the section titled "*Our Management*" beginning on page no. 114 of this Prospectus.

Address	A- 701, Ashoka Pavallion, Opp. Kapadiya Health Club, New Civil Road, Surat City, Gujarat – 395001
Date of Birth	March 09, 1976
PAN	AARPN2041B
Passport No.	J1257601
Voter Id	DMD1160910
Driver's License No.	GJ05 19920068341
Aadhaar No.	9639 5926 4805
Name of Bank &Branch	Kotak Mahindra Bank, Sachin Branch, Surat, Gujarat

	Bank A/c No.	3911421148
	Other Interests	Nil

For details of the build-up of our Promoters' shareholding in our Company, please see "Capital Structure –Notes to Capital Structure" on page no. 48 of this Prospectus.

Other Undertakings and Confirmations

We confirm that the Permanent Account Number, Bank Account number and Passport number of our Promoters are submitted to the Stock Exchange at the time of filing of the Draft Prospectus with the Stock Exchange.

Our Promoters and the members of our Promoters Group have confirmed that they have not been identified as willful defaulters by the RBI or any other governmental authority.

No violations of securities laws have been committed by our Promoters or members of our Promoters Group or any Group Companies in the past or are currently pending against them. None of (i) our Promoters and members of our Promoters Group or persons in control of or on the boards of bodies corporate forming part of our Group Companies (ii) the Companies with which any of our Promoters are or were associated as a promoter, director or person in control, are debarred or prohibited from accessing the capital markets or restrained from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad.

Change in control of our Company

Our Promoters are the original Promoters of our Company and there has not been any change in the control of our Company in the five years immediately preceding the date of this Prospectus.

Interests of Promoters

None of our Promoters / Directors have any interest in our Company except to the extent of compensation payable / paid, rents on properties owned by them and /or their relatives but used by our company 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 please see the chapters titled *"Capital Structure", "Our Management"* beginning on page nos. 48 and 133 respectively and *"Annexure XXV of Restated Consolidated Financial Statements"* and *"Annexure XXV of Standalone Financial Statements"* on page nos. 162 and 198, under section *"Financial Statements"* on page no. 133 of this Prospectus.

Except as stated otherwise in this Prospectus, we have not entered into any contract, agreements or arrangements in which our Promoters are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company other than in the normal course of business.

Common Pursuits of Promoters

As on the date of this Prospectus, our Company does not have any Group Company. Our Subsidiary, M/s. Meera Industries USA LLC is engaged in the similar line of business that is and/or synergistic to the business of our Company.

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

Our Promoters have not disassociated themselves from any companies, firms or entities during the last three years preceding the date of this Prospectus. However, our Promoter Mr. Dharmesh V. Desai held minor stake (5%) in M/s. Kenny Engineering, Partnership Firm which he sold on March 15, 2019.

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

Except as stated in *"Annexure XXV of Restated Consolidated Financial Statements"* and *"Annexure XXV of Standalone Financial Statements"* on page nos. 162 and 198, under section "*Financial Statements"* on page no. 133, there has been no payment of benefits to our Promoters or Promoters Group during the two years preceding the date of the Prospectus.

Interest of Promoters in the Promotion of our Company

Our Company is currently promoted by the promoters in order to carry on its present business. Our Promoters are interested in our Company to the extent of their shareholding and directorship in our Company and the dividend declared, if any, by our Company.

Interest of Promoters in the Property of our Company

Except as disclosed in "*Properties*" within the chapter titled "*Our Business*" on page no. 85 of this Prospectus, our Promoters have confirmed that they do not have any interest in any property acquired by our Company within three years preceding the date of this Prospectus or proposed to be acquired by our Company as on the date of this Prospectus.

Further, except as disclosed in "*Properties*" within the chapter titled "*Our Business*" on page no. 85 of this Prospectus, our Promoters do not have any interest in any transactions in the acquisition of land, construction of any building or supply of any machinery.

Interest of Promoter in our Company other than as Promoter

Other than as Promoters, our Promoters are interested in our Company to the extent of their shareholding and directorship in our Company and the dividend declared, if any, by our Company. For details please see chapters titled *"Our Management"* and *"Capital Structure"* beginning on page nos. 114 and 48 respectively of this Prospectus.

Except as mentioned in this section and the chapters titled "*Capital Structure*", "*Our Business*" and "*History and Certain Corporate matters*" on page no. 48, 85 and 108 respectively and *"Annexure XXV of Restated Consolidated Financial Statements"* and *"Annexure XXV of Standalone Financial Statements"* on page nos. 162 and 198, under section *"Financial Statements"* on page no. 133, our Promoters do not have any interest in our Company other than as Promoters.

Related Party Transactions

Except as stated in *"Annexure XXV of Restated Consolidated Financial Statements"* and *"Annexure XXV of Standalone Financial Statements"* on page nos. 162 and 198, under section *"Financial Statements"* on page no. 133, our Company has not entered into related party transactions with our Promoters, Promoter Group or our Group Companies.

Material Guarantees

Except as stated in the section titled "*Financial Statements*" beginning on page no. 133 of this Prospectus, our Promoters have not given any material guarantee to any third party with respect to the specified securities of our Company as on the date of this Prospectus.

Shareholding of the Promoters Group in our Company

For details of shareholding of members of our Promoter Group as on the date of this Prospectus, please see the chapter titled "*Capital Structure – Notes to Capital Structure*" beginning on page no. 48 of this Prospectus.

Other Confirmations

Our Company has neither made any payments in cash or otherwise to our Promoters or to firms or companies in which our Promoters are interested as members, directors or promoter nor have our Promoters been offered any inducements to become directors or otherwise to become interested in any firm or company, in connection with the promotion or formation of our Company otherwise than as stated in the *"Annexure XXV of Restated Consolidated Financial Statements"* and *"Annexure XXV of Standalone Financial Statements"* on page nos. 162 and 198, under section *"Financial Statements"* on page no. 133.

Outstanding Litigation

There is no outstanding litigation against our Promoters except as disclosed in the section titled "*Risk Factors*" and chapter titled "*Outstanding Litigation and Material Developments*" beginning on page nos. 17 and 220 of this Prospectus.

OUR PROMOTERS GROUP

Apart from our Promoters, as per Regulation 2(1)(pp) of the SEBI (ICDR) Regulation, 2018, the following individuals and entities shall form part of our Promoters Group:

A. Natural Persons who are Part of the Promoter Group

Name of the Promoter	Name of the Relative	Relationship with the Promoter
Mr. Dharmesh V. Desai	Late Vinodbhai D. Desai	Father
	Mrs. Meeraben V. Desai	Mother
	Mrs. Bijal D. Desai	Wife
	Mr. Nilesh V. Desai	Brother(s)
	Master Het D. Desai	Son
	Ms. Kenny D. Desai	Daughter
	Mr. Devendra S. Naik	Wife's Father
	Mrs. Rekhaben D. Naik	Wife's Mother
	Mrs. Sonal B. Makadia and Mrs. Rupal T. Pandya	Wife's Sister(s)
Mrs. Bijal D. Desai	Mr. Devendra S. Naik	Father
	Mrs. Rekhaben D. Naik	Mother
	Mr. Dharmesh V. Desai	Husband
	Mrs. Sonal B. Makadia and Mrs. Rupal T. Pandya	Sister(s)
	Master Het D. Desai	Son
	Ms. Kenny D. Desai	Daughter
	Late Vinodbhai D. Desai	Husband's Father
	Mrs. Meeraben V. Desai	Husband's Mother
	Mr. Nilesh V. Desai	Husband's Bother(s)

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

As per Regulation 2(1)(pp)(iv) of the SEBI (ICDR) Regulations, 2018, 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.	Devrekha Engineers Private Limited
2.	Ascom Leasing & Investments Limited
3.	Dharmesh V. Desai (HUF)
4.	Nilesh V. Desai (HUF)
5.	Devendra Naik HUF
6.	Omi Textiles
7.	Ashta Vinayak Share Trading LLP

OUR GROUP COMPANY

In terms of the SEBI Regulations our Group Company includes:

1. Those companies disclosed as related parties except subsidiary company 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 three financial years and

2. All companies forming part of the Related Party Transactions except subsidiary company, with whom our Company has entered into one or more transactions during any of the last three fiscals.

Further, companies which have been disclosed as related parties in the Restated Financial Statements of our Company for the last three financial years, and which are no longer associated with our Company have not been disclosed as Group Company.

Based on the above; as on the date of this Prospectus; we do not have any Group Company.

DIVIDEND POLICY

Under the Companies Act, 2013, our Company can pay dividends upon a recommendation by our Board of Directors and approval by a majority of the shareholders at the General Meeting. The shareholders of our Company have the right to decrease, not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends.

Our Company has declared dividend in the financial years 2016-17 and 2017-18, details of which are as below:

(₹ in lakhs)

Particulars	For the year ended March 31,		
	2019	2018	2017
Equity Share Capital	392.75	392.75	284.75
Face Value of Equity Shares (₹ per share)	10.00	10.00	10.00
Interim Dividend	Nil	39.28	39.28[(1)]
Final Dividend	Nil	47.13	Nil
Total Dividend	Nil	86.14	39.28
Total Dividend Tax	Nil	17.59	8.00
Rate of Dividend (%)	Nil	22%	10%
Total Dividend (₹ per share)	Nil	2.20	1.00

(1) *Final Dividend for financial year ended March 31, 2017 was declared on August 11, 2017 and August 14, 2017 was considered as the Record Date wherein the share capital of the Company changed; hence our Company paid final dividend of ₹ 39.28 lakhs (on the changed share capital) for the for financial year ended March 31, 2017.*

Our dividend payments and policy in the past is not necessarily indicative of our dividend policy or dividend amounts in the future.

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 STATEMENTS

REPORT OF THE AUDITORS ON CONSOLIDATED FINANCIAL STATEMENTS

To,

The Board of Directors
Meera Industries Limited
2126, Road No. 2,
GIDC Sachin, Surat – 394230

Dear Sirs,

Subject: Financial Information of Meera Industries Limited

1. We have examined, the attached Restated consolidated Statement of Assets and Liabilities of Meera Industries Limited ('the Holding Company') and its subsidiary and associates as at March 31, 2019 and March 31, 2018, the Restated Consolidated Summary Statement of Profit and Loss and the Restated Consolidated Summary Statement of Cash Flows for the years ended March 31, 2019 and March 31, 2018 and annexed to this report (collectively, the "Restated Consolidated Financial Information") as approved by the Board of Directors of the Group for the purpose of inclusion in the offer document prepared by the Group in connection with its proposed Further Public Offer (FPO) of equity shares prepared in terms of the requirements of:

    a. Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act") read with Companies (Prospectus and Allotment of Securities) Rules, 2014 ("the Rules");

    b. the Securities And Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time in pursuance of provisions of Securities and Exchange Board of India Act, 1992 ("SEBI-ICDR Regulations"); and

    c. the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India as amended from time to time (the "Guidance Note").

2. The Restated Consolidated summary statements of the Group have been extracted by the Management from the Audited Consolidated financial statements of the Group for the years ended March 31, 2019 and March 31, 2018. Our responsibility is to examine the Restated Consolidated Financial Information and confirm whether such Restated Consolidation Financial Information comply with the requirements of the Act, the Rules, SEBI-ICDR Regulations and the Guidance Note.

3. We have examined these Restated Consolidated Financial Information taking into consideration

    a. The terms of reference to our engagements with the Group requesting us to examine financial statements referred to above and proposed to be included in the Draft Prospectus / Prospectus being issued by the Company for its proposed Further Public Offering of equity shares in SME Platform of BSE ("FPO" or "SME FPO"); and

    b. The Guidance Note on reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India

4. This Restated Consolidated Financial Information have been compiled by the Management from the Consolidated audited Financial Statements of the Group for the years ended March 31, 2019 and March 31, 2018 which have been approved by the Board of Directors of the Group.

5. The Statutory Audit of the Holding Company are for financial year ended on March 31, 2019 and March 31, 2018 which have been conducted by us and accordingly, reliance has been placed on the financial information examined by us. We have examined the books of account underlying those financial statements and other

records of the Holding Company, to the extent considered necessary by us, for the presentation of the Restated Summary Statements under the requirements of Schedule III of the Act.

The accompanying consolidated Financial statements include total assets of ₹ 94.47 (90.21) lakhs as at March 31, 2019 (March 31, 2018) and total revenue of ₹ 234.83 (139.39) Lakhs for the year ended on March 31, 2019 (March 31, 2018) in respect of the wholly owned subsidiary company incorporated outside India (i.e. USA) which have not been audited by us, whose financial statements and other financial information have been furnished to us. Our opinion, in so far it relates to amounts and disclosures in respect of this wholly owned subsidiary is based solely on such financial statement and other financial information.

6. In terms of Schedule VI (Part A) (11) (II) (i) of the SEBI (ICDR) Regulations, 2018 and other provisions relating to accounts of Meera Industries Limited, we, K A Sanghavi and 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.

7. Based on our examination, we report that:

   a. The Restated Consolidated Summary Statement of Assets and Liabilities of the Group examined and reported as at March 31, 2019 and March 31, 2018 examined by us, as set out in Annexure I read with significant accounting policies and related notes to account in Annexure IV and V are after making adjustments and regrouping / reclassifications as in our opinion were appropriate and more fully described in schedules to the related summary statements.

   b. The Restated Consolidated Summary Statement of Profit and Loss of the Group for the years ended March 31, 2019 and March 31, 2018 examined by us, as set out in Annexure II read with significant accounting policies and related notes to account in Annexure IV and V are after making adjustments and regrouping / reclassifications as in our opinion were appropriate and more fully described in schedules to the related summary statements.

   c. The Restated Consolidated Summary Statement of Cash Flows of the Group for the years ended March 31, 2019 and March 31, 2018 examined by us, as set out in Annexure III read with significant accounting policies and related notes to account in Annexure IV and V are after making adjustments and regrouping / reclassifications as in our opinion were appropriate and more fully described in schedules to the related summary statements.

   d. Based on the above, according to the information and explanations given to us we are of opinion that the Restated Consolidated Financial Information :

      i. have been made after incorporating adjustments for changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting periods;

      ii. have been made after incorporating adjustments for the material amounts in the respective financial years to which they relate; and

      iii. do not contain any extra-ordinary items that need to be disclosed separately.

      iv. There were no qualifications in the Audit report issued by the Statutory Auditor of the Group for the years ended March 31, 2019 and March 31, 2018 which would require adjustments in this restated financial statements of the Group.

   e. We have also examined the following financial information as set out in the Annexure prepared by the management and approved by the Board of Directors relating to for the years ended March 31, 2019 and March 31, 2018:

      i. Consolidated statement of Share Capital as restated as appearing in ANNEXURE VI to this report;
      ii. Consolidated statement of Reserves and Surplus as restated as appearing in ANNEXURE VII to this report;

iii. Consolidated statement of Long Term Borrowings as restated as appearing in ANNEXURE VIII to this report;
iv. Consolidated statement of Deferred Tax Asset/Liability as restated as per ANNEXURE IX to this report;
v. Consolidated statement of Long Term Provisions as restated as appearing in ANNEXURE X to this report;
vi. Consolidated statement of Trade Payables as restated as appearing in ANNEXURE XI to this report;
vii. Consolidated statement of Other Current Liabilities as restated as appearing in ANNEXURE XII to this report;
viii. Consolidated statement of Short Term Provisions as restated as appearing in ANNEXURE XIII to this report;
ix. Consolidated statement of Fixed Assets as restated as appearing in ANNEXURE XIV to this report;
x. Consolidated statement of Non-Current Investments as restated as appearing in ANNEXURE XV to this report;
xi. Consolidated statement of Long Term Loans and Advances as restated as appearing in ANNEXURE XVI to this report;
xii. Consolidated statement of Current Investments as restated as appearing in ANNEXURE XVII to this report;
xiii. Consolidated statement of Inventories as restated as appearing in ANNEXURE XVIII to this report;
xiv. Consolidated statement of Trade Receivable as restated as appearing in ANNEXURE XIX to this report;
xv. Consolidated statement of Cash And Cash Equivalents as restated as appearing in ANNEXURE XX to this report;
xvi. Consolidated statement of Short Term Loans And Advances as restated as appearing in ANNEXURE XXI to this report;
xvii. Consolidated statement of Other Current Assets as restated in ANNEXURE XXII to this report;
xviii. Consolidated statement of Revenue From Operations as restated as appearing in ANNEXURE XXIII to this report;
xix. Consolidated statement of Other Income as restated as appearing in ANNEXURE XXIV to this report;
xx. Details of Related Party Transactions as restated as appearing in ANNEXURE XXV to this Report.
xxi. Consolidated statement of Contingent Liabilities as restated as appearing in ANNEXURE XXVI to this report;
xxii. Consolidated Statement of Dividend declared and paid as restated as appearing in ANNEXURE XXVII to this report.
xxiii. Consolidated Statement of Tax Shelters as restated as appearing in ANNEXURE XXVIII to this report.
xxiv. Consolidated Statement of Segment Reporting as restated as appearing in ANNEXURE XXIX to this report.

According to the information and explanations given to us in our opinion the Restated Consolidated Financial Information and the above restated Consolidated financial information contained in Annexures I to XXIX accompanying this report read along with the Significant Accounting Policies and Notes as set out in Annexure IV and V are prepared after making adjustments and regroupings as considered appropriate and have been prepared in accordance with Section 26 of Part I of Chapter III of the Companies Act, 2013 read with Companies (Prospectus and Allotment of Securities) Rules, 2014, SEBI ICDR Regulations and the Guidance Note.

8. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

9. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

10. Our report is intended solely for use of the Management for inclusion in the offer document to be filed with BSE Limited and Registrar of Companies, Ahmedabad in connection with the proposed FPO of equity shares of

the Company. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

For K A Sanghavi & Co. LLP,
Chartered Accountants,
(Firm Reg. No: 120846W/W100289)

Amish Ashvinbhai Sanghavi
Designated Partner
(M. No.: 101413)

Place: Surat
Date: May 17, 2019

Annexure I
STATEMENT OF CONSOLIDATED ASSETS AND LIABILITIES, AS RESTATED

(₹ in lakhs)

Particulars	As at March 31,	
	2019	2018
EQUITY AND LIABILITIES		
Shareholders' Funds		
a. Share Capital	392.75	392.75
b. Reserves & Surplus	1,002.44	508.69
	1,395.19	**901.44**
Share Application Money Pending Allotment		
Non Current Liabilities		
a. Long Term Borrowings	-	17.77
b. Deferred Tax Liabilities	15.19	-
c. Long Term Provisions	6.90	22.47
	22.09	**40.24**
Current Liabilities		
a. Short Term Borrowings	-	-
b. Trade Payables	469.25	263.34
c. Other Current Liabilities	128.50	105.46
b. Short Term Provisions	151.39	157.66
	749.14	**526.46**
TOTAL	**2,166.42**	**1,468.14**
ASSETS		
Non Current Assets		
a. Property, Plant and Equipment (Net Block)		
i. Tangible Assets	688.98	523.01
ii. Intangible Assets	17.59	15.31
Gross Block	706.57	538.32
Less: Depreciation	235.21	239.20
Net Block	**471.36**	**299.12**
iii. Capital Work in Progress	-	10.80
b. Non Current Investment	-	11.55
c. Deferred Tax Assets (Net)	-	1.97
d. Long Term Loans & Advances	114.81	11.14
	586.17	**334.58**
Current Assets		
a. Current Investment	-	6.10
b. Inventories	665.67	308.17
c. Trade Receivables	341.22	330.78
d. Cash and Cash Equivalents	312.22	316.03
e. Short Term Loans & Advances	251.91	165.55
f. Other Current Assets	9.23	6.93
	1,580.25	**1,133.56**
TOTAL	**2,166.42**	**1,468.14**

Annexure II
STATEMENT OF CONSOLIDATED PROFIT AND LOSS, AS RESTATED

(₹ in lakhs)

Particulars	As at March 31,	
	2019	2018
INCOME		
Revenue from Operations	3,558.41	2,149.66
Other Income	83.32	44.68
Total Revenue	**3,641.73**	**2,194.34**
EXPENDITURE		
Cost of Material Consumed	2,273.23	1,262.73
Purchases of Stock-in-Trade	0.19	50.75
Changes in Inventory of Finished Goods Work-in-Progress and Stock-in-Trade	(226.53)	(82.79)
Employee benefit expenses	298.83	248.78
Finance costs	8.22	4.47
Depreciation	37.73	29.87
Other Expenses	586.96	348.17
Total Expenses	**2,978.63**	**1,861.98**
Profit before extraordinary items and tax (A-B)	**663.10**	**332.36**
Prior period items (Net)	-	-
Profit before exceptional, extraordinary items and tax (A-B)	663.10	332.36
Exceptional items	-	-
Profit before extraordinary items and tax	663.10	332.36
Extraordinary items	-	-
Profit before tax	**663.10**	**332.36**
Tax expense :		
(i) Current tax		
Holding Company in India	145.50	97.22
Whole owned subsidiary in USA	5.89	-
(ii) MAT credit	-	-
(iii) Deferred tax	17.16	(5.66)
Total Tax Expense	**168.55**	**91.56**
Restated Profit after tax for the year (D-E)	**494.55**	**240.80**
Earnings Per Equity Share:		
(a) Basic Earnings Per Share	12.59	6.31
(b) Diluted Earnings Per Share	12.59	6.31

Annexure III
CONSOLIDATED CASH FLOW STATEMENT, AS RESTATED

(₹ in lakhs)

Particulars	As at March 31,	
	2019	2018
Cash flow from operating activities:		
Net Profit / (Loss) before tax as per Profit And Loss account	**663.10**	**332.36**
Adjusted for:		
Depreciation & Amortisation	37.73	29.87
Adjustments for consolidation	(0.99)	(1.77)
Prior Adjustments for consolidation	-	(2.26)
Tax paid on regular assessment	-	-
Dividend income	(0.32)	(0.40)
Interest income	(6.30)	(10.91)
Profit on sae of tangible assets	(12.78)	(0.42)
Profit on sale of investment	(2.68)	(5.83)
Operating profit / (loss) before working capital changes	**677.76**	**340.64**
Movements in working capital		
Increase / decrease in trade receivables	(10.44)	(231.33)
Increase / decrease in inventories	(357.50)	(185.06)
Increase / decrease in short term loans and advances	0.70	(71.80)
Increase / decrease in other current assets	(2.30)	56.33
Increase / decrease in trade payables	205.91	93.43
Increase / decrease in long term loans and advances	(103.67)	(3.82)
Increase / decrease in other current liabilities	33.21	(31.70)
Increase / decrease in short term provisions	(3.63)	1.24
Increase / decrease in long term provisions	(15.57)	4.82
Cash (used in)/generated from operating activities	**424.47**	**(27.25)**
Direct Tax Paid, net	(184.25)	(76.43)
Net cash (used in)/generated flow from operating activities : (A)	**240.22**	**(103.68)**
Cash Flow from Investing Activities:		
Purchase of asset included in capital work-in-progress	(212.33)	(152.72)
Proceeds from sale of tangible assets	26.11	7.50
Purchase of equity shares as investments	-	(17.52)
Proceeds from sale of shares as investments	20.33	30.35
Interest income	6.30	10.91
Dividend income	0.32	0.40
Net cash (used in)/generated from investing activities : (B)	**(159.27)**	**(121.08)**
Cash flow from financing activities:		
Proceeds from issuance of share capital including premium	-	388.80
Payment of interim / final dividend to equity shareholders	(47.13)	(78.55)
Payment of dividend distribution tax	(9.69)	(15.99)
Proceeds from long term / short term borrowings	-	32.00
Repayment to long term / short term borrowing	(27.94)	(6.91)
Net Cash (used in)/generated from financing activities : (C)	**(84.76)**	**319.35**
Net increase/(decrease) in cash & cash equivalents (A+B+C)	**(3.81)**	**94.59**
Cash & cash equivalents as at beginning of the year	**316.03**	**221.44**
Cash & cash equivalents as at end of the year	**312.22**	**316.03**
Cash & cash equivalents comprises of :		

Particulars	As at March 31,	
	2019	2018
Cash in hand	4.47	1.85
Balance with bank	307.75	314.18
Closing balance of cash & cash equivalents	**312.22**	**316.03**

Annexure IV
SIGNIFICANT ACCOUNTING POLICIES FOR CONSOLIDATED FINANCIALS

Corporate Information:

Meera Industries Limited ("the Company") was incorporated on July 05, 2006 as a private Limited company and later on during Financial Year 2016-2017, it got converted in Public Limited Company domiciled in India. Its shares are listed on BSE SME platform effective from May 15, 2017. The company is primarily engaged in the business of manufacture and sale of customized textile machinery and machinery parts and trading and manufacturing of yarn including Import and Export of the same.

During the year ended as at March 31, 2017 the company has issued 1.5 bonus equity shares against 1 equity shares issued at ₹ 10 each fully paid up out of Securities premium and from profit and loss reserve account. Further company has issued 75,000 Right equity shares of ₹ 10 with premium of ₹ 30 each. The company has declared dividend @ 10% of face value out the free reserves.

During the year ended as at March 31, 2018 company has started manufacturing and trading in yarn including export of the same, the company has issued 10,80,000 equity shares of ₹ 10 with premium of ₹ 26 each through Initial Public Offer (IPO) and the company has subscribed 1,000 shares of the wholly owned Subsidiary company Meera Industries USA LLC at USA as per the norms of RBI and remitted the amount of subscription of USD 1,00,000/-. The company has declared interim divided @ 10% and final dividend @ 12% of face value out of the free reserves.

Basis of preparation of Financial Statements

The Restated Financial Statements relate to the and have been specifically prepared for inclusion in the document to be filed by the Group with the SEBI in connection with the proposed Further Public Offer ('FPO') of equity shares of the Company (referred to as the "Issue"). The Restated Financial Statements consist of the restated summary statement of assets and liabilities of the Group as at March 31, 2019 and March 31, 2018 the related restated summary statement of profit and losses and the related restated summary statement of cash flows for each of the years from 1 April 2018 to 31 March 2019 and 1 April 2017 to 31 March 2018 (hereinafter collectively referred to as "the Restated Financial Statements").

The Restated Financial Statements have been prepared to comply in all material respects with the requirements of Section 26 read with applicable provisions of the Companies (Prospectus and Allotment of Securities) Rules, 2014 to the Companies Act, 2013 ('the 2013 Act'); and the SEBI (Issue of Capital and Disclosure Requirements) Regulations 2018 ("the SEBI Regulations"), as amended from time to time. The 2013 Act and the SEBI Regulations require the information in respect of the assets and liabilities and profit and losses of the Group for each of the three years immediately preceding the issue of the Offer Document. These Restated Financial Statements were approved by the Board of Directors of the Group in their meeting held on May 17, 2019.

The Audited Financial Statements were prepared in accordance with the generally accepted accounting principle in India (Indian GAAP) at the relevant time. The Restated Financial Statements of the Group have been prepared and presented under the historical cost convention on the accrual basis of accounting and comply with the Accounting Standards issued under the Companies (Accounting Standards) Rules, 2006 which continue to apply under Section 133 of the Companies Act, 2013 [which has superseded Section 211(3C) of the Companies Act, 1956 w.e.f. 12 September 2013], other pronouncements of the Institute of Chartered Accountants of India ('ICAI'), the provisions of the Companies Act, 2013 to the extent notified and applicable.

The Accounting Policy adopted for preparing financial statements for year ending March 31, 2019 have been applied consistently for all the years under restatement.

These restated financial statements have been prepared so as to contain information / disclosures and incorporating adjustments set out below in accordance with the SEBI Regulations:

i. Adjustments for audit qualification requiring corrective adjustment in the financial statements, if any;

ii. Adjustments for the material amounts in respective years to which they relate, if any;

iii. Adjustments for previous years identified and adjusted in arriving at the profits of the years to which they relate irrespective of the year in which the event triggering the profit or loss occurred, if any;

iv. Adjustment to the profits or losses of the earlier years and of the year in which the change in the accounting policy has taken place is recomputed to reflect what the profits or losses of those years would have been if a uniform accounting policy was followed in each of these years, if any;

v. Adjustments for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited financial statements of the Group as at and for the year ended 31 March 2019 and the requirements of the SEBI Regulations, if any;

vi. The resultant impact of tax due to the aforesaid adjustments, if any.

Significant Accounting Policies

These Consolidated financial statements of the Group have been prepared in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on accrual basis, except in case of assets for which provision for impairment for certain financial instruments which are measured at fair value.

All amounts included in the financial statements are reported in Lakhs Indian Rupees.

i. Presentation and disclosure of financial statements:

a. During the year end 31ST March 2019, the group has presented the financial statements as per the Schedule III notified under the Companies Act, 2013. The group has also reclassified the previous figures in accordance with the requirements applicable in the current year.

ii. Principles of consolidation:

a. The consolidated financial statements of the Group are prepared in accordance with Accounting Standard 21 – 'Consolidated Financial Statements', Accounting Standard 23 – Accounting for Investments in Associates in Consolidated Financial Statements' as notified by the Rules.

b. The consolidated financial statements are presented, to the extent possible, in the same format as that adopted by the Company for its standalone financial statements.

c. Subsidiaries

Wholly own Subsidiary outside India is fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

The financial statements of the Company and its subsidiary have been combined on a lineby-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra group balances and intra group transactions. The unrealised profits or losses resulting from the intra group transactions and intra group balances have been eliminated.

The excess of the cost to the Company of its investment in the subsidiaries over the Company's portion of equity on the acquisition date is recognised in the financial statements as goodwill and is tested for impairment annually. The excess of Company's portion of equity of the subsidiary over the cost of investment therein is treated as capital reserve.

The Company's portion of the equity in the subsidiary at the date of acquisition is determined after realigning the material accounting policies of the subsidiary to that of the parent and the charge/(reversal) on account of realignment is adjusted to the accumulated reserves and surplus of the subsidiary at the date of acquisition.

The consolidated financial statements are prepared using uniform accounting policies for like transactions and events in similar circumstances and necessary adjustments required for deviations, if any to the extent possible unless otherwise stated, are made in the consolidated financial statements and are presented in the same manner as the Company's standalone financial statements.

Share of minority interest, if any in the net profit is adjusted against the income to arrive at the net income attributable to shareholders of the parent Company. Minority interest's share of net assets is presented separately in the balance sheet.

If the losses attributable to the minority in a consolidated subsidiary exceed the minority's share in equity of the subsidiary, then the excess, and any further losses applicable to the minority, are adjusted against the Group's interest except to the extent that the minority has a binding obligation to, and is able to, make good the losses. If the subsidiary subsequently reports profits, all such profits are allocated to the Group's interest until the minority's share of losses previously absorbed by the Group has been adjusted.

A change in the ownership interest of a subsidiary, without a loss of control is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it:

i. derecognises the assets (including goodwill) and liabilities of the subsidiary;

ii. derecognises the carrying amount of any minority interest;

iii. derecognises the cumulative translation differences, recorded in foreign currency translation reserve;

iv. recognises the value of the consideration received;

v. recognises the value of any investment retained;

vi. recognises any surplus or deficit in profit or loss;

d. Associates

The Group consists of only one Wholly Owned Subsidiary outside India and no other associates during the reporting period.

iii. Use of estimates

a. The preparation of financial statements in conformity with Indian GAAP requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, if any at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

iv. Property Plant and Equipment (AS 10)

a. Tangible Fixed assets are carried at cost of acquisition and other applicable costs less accumulated depreciation and accumulated impairment loss, if any. The cost of fixed assets includes cost of acquisition plus, any freight, taxes, duties and other incidental expenses that are directly attributable to bring the assets to their working conditions for their intended use. Borrowing costs directly attributable to the qualifying assets are capitalized as part of the cost. The costs of internally generated assets comprise direct costs attributed to the generation of the assets.

b. Capital work in progress, if any comprises of the cost of fixed assets that are not yet ready for their intended use at the balance sheet date. Assets held for disposal, if any are stated at the lower of net book value and the estimated net realizable value.

c. When parts of the items of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to the property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably.

d. Gain / loss arising from de-recognition / sale / disposal of fixed assets are measured as the difference between the net disposal / sale proceeds and the carrying amount of the assets and are recognized in the statement of profit or loss when the asset is derecognized / disposed off.

e. Advances paid towards the acquisition of fixed assets, if any outstanding as of balance sheet date is disclosed under long term loans and advances.

f. No assets have been revalued during the year.

v. Intangible Assets

a. Intangible assets are stated at the consideration paid for acquisition less accumulated amortization and accumulated impairment losses, if any.

vi. Borrowing Costs (AS 16)

a. Interest paid to Bank for Term Loans have been charged to revenue account since the same are not attributable to the acquisition of qualifying assets as per the requirements of AS 16.

b. Borrowing cost primarily includes interest and amortisation of ancillary costs incurred in connection with the arrangement of borrowings.

c. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset.

vii. Depreciation / Amortization

a. Depreciation on tangible fixed assets is calculated on the Straight Line Method (SLM) based on the useful lives and residual values estimated by the management in accordance with Schedule II to the Companies Act, 2013. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset.

b. Intangible assets, if any are amortized on a straight line basis over the estimated useful economic life.

c. No assets have been revalued during the year.

viii. Impairment of tangible and Intangible Assets (AS 28)

a. As per the estimates made by the management and as per the various assessments made by the management, there were no indicators whether internal or external (as provided in para 8 of AS 28) which has led to the impairment loss to any assets. Since there are no such indicators which suggest that the net value of the assets would fall significantly by passage of time and normal use, the company has not provided for any impairment loss for any assets during the current financial period. The company has chosen the "value in use" technique and as per the measurement of future cash flow, the management is of the opinion that the future cash flow and the terminal value of the assets would not be significantly less than the carrying value and hence no impairment for any assets has been provided for in the financial statements.

b. No reversal of impairment loss has been recognized in the Profit & loss Account.

c. Since the Group has not carried out the activities in segments, the impairment loss or reversal of the impairment loss has not been provided for the segments.

ix. Investments (AS 13)

a. Investments which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

b. On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued.

c. Current investments are carried in the financial statements at lower of cost and realisable value. Long-term investments are carried at cost. However, provision for diminution in value, if any is made to recognise a decline other than temporary in the value of such investments.

d. On disposal of an investment, if any, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

e. All other Investments are stated at cost or Net realizable value whichever is less.

x. Government grants and subsidies (AS 12)

a. Grants and subsidies from the government are recognised when there is reasonable assurance that (i) the group will comply with the conditions attached to them, and (ii) the grant / subsidy will be received.

b. When the grant or subsidy relates to revenue, it is recognised as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognised as deferred income and released to income in equal amounts over the expected useful life of the related asset.

c. During the last 3 restated financial years, the group has not applied for any Grants / subsidies related to the Revenue or specific Fixed Assets nor the group has received any such Grants / subsidies in the last 3 year.

d. During the last 3 restated financial years the group has earned and claimed duty draw back on export sales which is recognised as income in the statement of profit and loss on the basis of accrual of the same.

xi. Inventories (AS 2)

a. Inventories of materials include raw materials, yarn, stores and spares and consumables, packing materials, components, work-in-progress and project work-in-progress. Inventories except work-in-progress are valued at the lower of cost and estimated net realisable value. Cost in case of work in progress is determined on the basis of the actual expenditure attributable to the said work till the end of the reporting period.

xii. Revenue recognition (AS 9)

a. Revenue comprises sale & export of customized machinery, yarn and service income, interest income, dividend income and export incentive income. Revenue is recognised to the extent it is probable that the economic benefits will flow to the group and that the revenue can be reliably measured. The group collects GST as applicable on behalf of the government and therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue.

b. Revenue from sale of goods is recognised in the statement of profit and loss when the significant risks and rewards in respect of ownership of goods has been transferred to the buyer as per the terms of the respective sales order, and the income can be measured reliably and is expected to be received.

c. Interest income are recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

d. Dividend income from investments is recognized when the right to receive payment is established.

e. Export incentives are recognised when the right to receive the same is established.

f. Duty drawback income on export is recognized on accrual basis when the right to receive the claim by the company is established.

g. Exchange gain is recognized on Net basis that is to say after netting off the exchange loss, if any. Exchange gain / loss is recognised on transfer of amount to Rupees Account from Dollar Account maintained by the company during the reporting period.

xiii. CENVAT, Gujarat Vat CREDIT and GST

a. CENVAT, Gujarat Vat and GST credit available on purchase of materials, purchase of capital goods and input services is not charged to cost of material, capital goods and services. CENVAT, Gujarat Vat and GST Credit availed is accounted by way of adjustment against excise duty, vat and GST payable on dispatch of finished goods, GST or service tax payable on rendering of services.

xiv. Retirement and other Employee benefits (AS 15)

a. Defined contributions to Provident Fund and Employee State Insurance Corporation are charged to the statement of Profit & Loss of the year, when the employee renders the related service. There are no other obligations other than the contribution payable to the respective statutory authorities.

b. No retirement benefits have been paid to any employee during the year by the company.

c. The company does not pay the leave salary on yearly basis. However, the unavailed leave at the end of the financial year gets carry forwarded to subsequent years for availment.

d. During the year, the group has opted for the group gratuity plan of LIC and paid premium as per the calculations. The amount of premium paid has been debited to the provision of gratuity provided earlier.

xv. Foreign Exchange Transactions (AS 11)

a. Transactions in foreign currencies other than those covered by forward contracts entered into by the group are accounted at the exchange rates prevailing on the date of transactions or at rates that closely approximate the rate at the date of the transaction.

b. Exchange gain income is recognised on the basis of the exchange rate fluctuations between the dates of import / exports as the case may be and the actual payment / receipts of the imports / exports.

c. Monetary assets (debtors for exports) and liabilities (Creditors for imports) relating to foreign currency transactions remaining unsettled at the end of the period are translated at the period-end rate and the difference in translation and realized gain and losses on foreign exchange transactions are recognized in the statement of profit and loss.

d. Non-monetary foreign currency items are carried at historical cost determined on the date of transaction.

e. Exchange difference in respect of liability incurred to acquire fixed assets is charged to revenue account. The company has not entered into any forward exchange contracts intended for trading or speculation purposes.

f. For the purpose of consolidation of the accounts of the foreign subsidiary, the operations of the subsidiary have been treated as non-integral operations and the income and expenses have been translated at the average of rates during the year except the sales made by the holding to the foreign subsidiary which has been converted on the basis of the actual exchange rate prevailing at the time of the transaction during the year. The assets and the liabilities have been translated at the closing rate on the date of the balance sheet except the investment in the shares of the foreign subsidiary which has been converted at the rate prevailing at the time of the investment made by the holding company. The difference on translation has been taken to foreign exchange translation reserve and disclosed under Reserves and Surplus. Where the foreign subsidiary is disposed off, if any, in the mid of the year, the assets and liabilities have been translated at the closing rate on the date of sale for arriving at the profit / loss on sale of investment.

xvi. Taxation (AS 22)

a. Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit and loss. The amount of current tax actually determined at the time of filing of IT return for the Assessment Year determined the final self assessment tax liability and accordingly the company has reversed the excess provision of current tax charged to statement of profit and loss in earlier period or made additional provision for current tax not charged to statement of profit & loss, in current reporting period as the case may be.

b. Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit and loss.

c. Deferred tax liabilities are recognised for all taxable timing differences. Deferred tax assets are recognised for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

d. At each reporting date, the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

e. The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

f. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

xvii. Provisions and contingent liabilities, Contingent assets (AS 29)

a. A provision is recognised when the group has a present obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made of the amount of obligation. Provisions are not discounted to their present value and

are determined based on best estimate required to settle the obligation at the balance sheet date. These estimates are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

b. Provisions of various expenses are recognized in the financial statements since there exists present obligations as a result of event and the expenses are accrued and incurred during the year.

c. The opening balance of provisions is used during the year against the payments during the year. The closing balances of provisions are the expenses accrued during the year and provided.

d. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably.

e. The group does not recognise a contingent liability but discloses its existence in the financial statements unless the possibility of an outflow is remote.

f. A contingent asset is not recognized in the financial statements and hence not disclosed.

xviii. Earning / (loss) per share (AS 20)

a. Basic earnings / (loss) per share are calculated by dividing the net profit / (loss) for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for any bonus shares issued during the year and also after the balance sheet date but before the date the financial statements are approved by the board of directors for the purpose of calculating diluted earnings / (loss) per share. The net profit / (loss) for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

b. The number of equity shares and potentially dilutive equity shares are adjusted for bonus and right issue as appropriate. The dilutive potential equity shares are adjusted for the proceeds receivable, had the shares been issued at fair value. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date.

xix. Cash and Cash Equivalents

a. Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank and in hand, cheques on hand and short-term investments with an original maturity of three months or less.

xx. Segmental Reporting (AS 17)

a. The group has disclosed business segment as the primary segment. Segments have been identified taking into account the nature of the product, the differing risks and returns, the organization structure and internal reporting system. The group has identified geographical segment as secondary reportable segments.

b. The group's operations predominantly relate to manufacturing and sale of textile machineries including servicing of machineries on labour basis and also manufacturing and processing of Yarn in local market as well as exports.

c. Segment revenue, segment results, segment assets and segment liabilities include the respective amounts identifiable to each of the segments. Inter-segment transfers have been carried out at mutually agreed prices which are at arm's length price.

d. The accounting principles consistently used in the preparation of the financial statements are also consistently applied to record income and expenditure in individual segments. These are as set out in the note on significant accounting policies.

Notes to Segmental Results

i. There are certain fixed assets used in Group's business, liabilities contracted and certain common expenses incurred by the Group have not been identified to any of the reportable segments since the nature of these assets, liabilities and expenses are such that they can be used interchangeably between the segments. The group believes that it is currently not practical to provide segment disclosure, except as disclosed above, relating to total assets, liabilities and expenses having interchangeable use between segments, since a meaningful segregation of the available data is not feasible and hence kept in unallocated items.

ii. Separate and detailed working of Segmental reporting of primary and Geographical Business Segment is attached with consolidated financial statements.

xxi. Operating leases

Where the group is a Lessee

a. Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on the basis of the lease (rent agreements). Initial direct costs such as legal costs, brokerage costs, etc. if any, are recognised immediately in the statement

b. The Group has taken Factory land on lease rental agreement of 5 years and office premises at USA with fixed rental on monthly basis for each of the years included in the lease period which is increasing every year. Each renewal is at the option of lessee. There are no restrictions placed upon the company by entering into these leases.

c. The Group has not entered into any lease agreements with any person during the year whereby any operating lease incomes are generated. The company has not acquired any fixed assets under finance lease / operating lease agreements during the year.

(₹ in lakhs)

Particulars	For the year ended March 31,	
	2019	2018
Rent payable for not later than one year	32.79	30.23
Rent Expenses	30.23	27.32

Annexure V
NOTES TO ACCOUNTS FOR CONSOLIDATED FINANCIALS

1. Subsidiary

i. List of Subsidiaries which are included in the consolidation and the Company's effective holdings therein as under

Name of the Subsidiary	For the year ended March 31,		Country of Incorporation
	2019	2018	
Meera Industries USA LLC	100%	100%	USA

ii. Additional information, as required under Schedule III of the Act for the entities consolidated as subsidiaries.

(₹ in lakhs)

Name of the Subsidiary	For the year ended March 31,		
	2019		2018
	Net Assets[1]		
	% of Net Assets	Amount	Amount
Parent			
Meera Industries Limited	98.31	1,371.59	919.79
Indian Subsidiaries	NIL	NIL	NIL
Wholly owned Subsidiary outside India			
Meera Industries USA LLC	6.33	88.36	46.41
Minority Interest in all subsidiary	NIL	NIL	NIL
Elimination	(4.64)	(64.76)	(64.76)
Total	**100.00**	**1,395.19**	**901.44**

[1] *Net Assets equal to Total Assets Less Total Liabilities*

(₹ in lakhs)

Name of the Subsidiary	For the year ended March 31,		
	2019		2018
	Share in Profit / Loss		
	% of Profit / Loss	Amount	Amount
Parent			
Meera Industries Limited	91.36	451.80	255.12
Indian Subsidiaries	NIL	NIL	NIL
Wholly owned Subsidiary outside India			
Meera Industries USA LLC	8.64	42.75	(14.32)
Minority Interest in all subsidiary	NIL	NIL	NIL
Elimination	NIL	NIL	NIL
Total	**100.00**	**494.55**	**240.80**

iii. In respect of the following components of consolidated financial statements, it is not practicable to align the accounting policies followed by the subsidiary company.

(₹ in lakhs)

Particulars	Components of Consolidated Financial Statements	Amount as at March 31, 2019 (March 31, 2018)
There is no timing difference as far as the subsidiary is concerned, since the subsidiary is WOS at USA and not supposed to file income tax return in India. Therefore, while calculating the deferred tax in the consolidated statements, the timing differences arising out of the items appearing in the Holding Company are considered.	Deferred tax	NIL (NIL)
The subsidiary has provided depreciation by taking different useful life of the assets as against the useful life considered by the holding company.	Depreciation	0.43 (0.30)

2. Managerial Remuneration

(₹ in lakhs)

Particulars	For the year ended March 31,	
	2019	2018
Executive directors		
Directors' Remuneration	51.00	51.00
Non-Executive directors		
Sitting Fees	1.35	1.80
Commission / other fees	-	-

3. Auditor's Remuneration

(₹ in lakhs)

Particulars	For the year ended March 31,	
	2019	2018
As Statutory Auditor	1.50	1.50
As Tax Auditor U/S. 44AB of I.T. Act, 1961	0.50	0.50
Total	**2.00**	**2.00**

4. The value of realization of Current Assets, Loans and Advances in the ordinary course of business will not be less than the value at which they are stated in the Balance Sheet.

5. Balances of trade Receivable and trade Payable are subject to confirmation, reconciliation and consequential adjustment, if any.

6. Previous year figures have been regrouped, re-arranged or reclassified, wherever necessary to conform to this year's classification.

7. There were no qualifications in the Audit report issued by the Statutory Auditor of the Group for the years ended March 31, 2019 and March 31, 2018 in the Annexure - A of the Independent Auditor's Report of respective years.

ADJUSTMENTS MADE IN CONSOLIDATED RESTATED FINANCIAL STATEMENTS

I. Adjustments having impact on Profit

(₹ in lakhs)

Particulars	For the year ended March 31,		Adj. in Op. Res.
	2019	2018	
Net Profit/(loss) after tax as per audited statement of profit and loss	491.67	246.97	
Add / (Less) : Difference in rectified gratuity	-	-	-

Particulars	For the year ended March 31,		Adj. in Op. Res.
	2019	2018	
Add / (Less) : Difference in rectified depreciation	-	-	
Add / (Less) : Difference in rectified tax		(1.84)	
Add / (Less) : Difference in rectified DTA/DTL	(0.03)	(1.50)	-
Add / (Less) : Prior period item	2.91	(2.83)	-
Profit as per Restated Financials	494.55	240.80	-

II. Adjustments not having impact on profit

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 and Disclosure Requirements) Regulations 2018.

Annexure VI
STATEMENT OF CONSOLIDATED SHARE CAPITAL, AS RESTATED

(₹ in lakhs)

Particulars	As at March 31,	
	2,019	2,018
Equity Share Capital		
Authorised Share capital		
50,00,000 (50,00,000) Equity Shares of ₹ 10/- each	500.00	500.00
Total Authorised Capital	**500.00**	**500.00**
Issued, Subscribed and Fully Paid Up Share Capital		
39,27,500 (39,27,500) Equity Shares of ₹ 10/- each fully paid up	392.75	392.75
Total Share Capital	**392.75**	**392.75**

The details of shareholders holding more than 5% shares:

(₹ in lakhs)

Particulars	As at March 31,			
	2,019		2,018	
	No. of Shares	% Held	No. of Shares	% Held
Bijal D. Desai	13,55,338	34.51	13,55,338	34.51
Dharmesh V. Desai	11,69,662	29.78	11,69,662	29.78
Devendra S. Naik	-	-	-	-

Details of Shares for Preceding Five Years

Particulars	As at March 31,				
	2019	2018	2017	2016	2015
Number Of Equity Shares Bought Back	-	-	-	-	-
Number Of Preference Shares Redeemed	-	-	-	-	-
Number of Equity Share Issue as Bonus Share	-	-	16,63,500	-	-
Number of Preference Share Issue as Bonus Share	-	-	-	-	-
Number of Equity Shares Allotted For Contracts Without Payment Received In Cash	-	-	-	-	-
Number of Preference Shares Allotted For Contracts Without Payment Received In Cash	-	-	-	-	-

Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year is set out below:

Particulars	As at March 31,	
	2,019	2,018
Number of Shares at the beginning	39,27,500	28,47,500
Add : Issue		
IPO Issue on 09.05.2017	-	10,80,000
Number of Shares at the end	**39,27,500**	**39,27,500**

Right, preferences and restrictions attached to shares

Every holder of an equity share as reflected in the records of the Company on the date of the shareholders meeting shall have one vote in respect of each share held for all matter submitted to vote in a shareholders meeting of the company. Any dividend declared by the company shall be paid to each holder of Equity shares in proportion to the number of shares held to total equity shares outstanding as on that date. In the event of liquidation of the Company all preferential amounts if any shall be discharged by the Company. The remaining assets of the Company shall be

distributed to the holders of equity shares in proportion of the number of shares held to the total equity shares outstanding as on that date.

Annexure VII
STATEMENT OF CONSOLIDATED RESERVES AND SURPLUS, AS RESTATED

(₹ in lakhs)

Particulars	As at March 31,	
	2019	2018
Profit and Loss Account		
Opening Balance	207.16	72.71
Add / (Less): Changes during the year		
Add: Profit After Tax	494.55	240.80
Less: Provision for Gratuity	-	-
Less: Adjustment for DTA/DTL	-	-
Less: Adjustment For Depreciation	-	-
Less: Issues of Bonus Share	-	-
Less: Appropriation and Allocation		
Interim Dividend	-	39.28
Proposed Dividend	-	47.13
Equity Dividend Distribution Tax	-	17.68
Less : Others		2.26
Total (a)	**701.71**	**207.16**
Share Premium Account		
Opening Balance	303.30	22.50
Add: Additions	-	280.80
less: Bonus Shares Issued	-	-
Total (b)	**303.30**	**303.30**
Foreign Currency Translation		
Opening Balance	(1.77)	-
Less: Deduction	0.80	1.77
Total (c)	**(2.57)**	**(1.77)**
Total Reserves and Surplus (a+b+c)	**1,002.44**	**508.69**

Annexure VIII
STATEMENT OF CONSOLIDATED LONG TERM BORROWINGS, AS RESTATED

(₹ in lakhs)

Particulars	As At March 31,	
	2019	2018
Secured		
Term Loans	-	-
Vehicle Loans		
Volkswagen Finance Private Limited		17.77
Kotak Mahindra Prime Limited Car Loan		-
Total Long Term Borrowings		**17.77**

Nature of Security and Terms of Repayment:

(₹ in lakhs)

Loan Details	Rate of Interest	Tenure (Months)	Monthly Instalment	Security offered
Volkswagen Finance Private Limited	7.99	36	1.00	Audi Car
Kotak Mahindra Prime Limited	10.54	36	0.32	Ford Eco Sport Car

Annexure IX
STATEMENT OF CONSOLIDATED DEFERRED TAX LIABILITIES, AS RESTATED

(₹ in lakhs)

Particulars	As at March 31,	
	2019	2018
Deferred Tax Assets		
Employees Benefits	3.91	7.27
Expenditure Disallowances	3.28	4.37
Total Deferred Tax Assets (a)	**7.19**	**11.64**
Deferred Tax Liabilities		
Depreciation	22.38	9.67
Total Deferred Tax Liabilities (b)	**22.38**	**9.67**
Total of Deferred Tax (Liability) / Assets (a-b)	**(15.19)**	**1.97**

Annexure X
STATEMENT OF CONSOLIDATED LONG TERM PROVISIONS, AS RESTATED

(₹ in lakhs)

Particulars	As at March 31,	
	2019	2018
Employee Benefits		
Provision for Gratuity	6.90	22.47
Total of Long Term Provisions	**6.90**	**22.47**

Annexure XI
STATEMENT OF CONSOLIDATED TRADE PAYABLE, AS RESTATED

(₹ in lakhs)

Particulars	As at March 31,	
	2019	2018
Creditors Due Small Micro Enterprises		
Trade Payables (Expenses)	2.97	3.80
Trade Payables (Goods)	90.98	60.66
Trade Payables (Labour)	3.88	2.07
Creditors Due Others		
Trade Payables (Expenses)	24.25	26.37
Trade Payables (Goods)	307.04	150.86
Trade Payables (Labour)	34.17	13.73
Trade Payables (Capital Goods)	5.96	5.85
Total of Trade Payables	**469.25**	**263.34**

Annexure XII
STATEMENT OF CONSOLIDATED OTHER CURRENT LIABILITIES, AS RESTATED

(₹ in lakhs)

Particulars	As at March 31,	
	2019	2018
Current maturities of long-term debt		
Volkswagen Finance Private Limited	-	10.17
Interest accrued but not due on borrowings		
Secured		
Interest Accrued But Not Due	-	0.12
Other payables		
Employee Related		
Accrued Salary Payable		
Bonus Payable	7.16	-
Wages and Salary Payable	18.93	14.26
Directors Remuneration Payable	3.11	3.11

Particulars	As at March 31,	
	2019	2018
Tax Payable		
TDS		
TCS Payable	0.06	-
TDS Payable	4.45	2.21
Sales Tax		
CGST Payable	0.21	0.05
IGST Payable	17.88	-
SGST Payable	0.21	0.05
Other		
Professional Tax Payable	1.53	1.80
Other Accrued Expenses		
Audit Fees Payable	3.15	2.61
Courier Charges Payable	0.99	-
ESIC Payable	0.74	0.52
Gardening Expenses Payable	0.26	-
Professional Fees Payable	0.48	0.43
Provident Fund Payable	2.00	1.67
Security Expenses Payable	-	0.35
Telephone Expenses Payable	0.03	0.07
Water Charges Payable	-	0.02
Travelling Expenses Payable	1.17	-
Other Current Liabilities		
Advance From Customers	64.27	67.58
Amount payable	0.05	0.04
Kotak Mahindra Bank Credit Card	1.82	0.40
Total of Current Liabilities	**128.50**	**105.46**

Annexure XIII
STATEMENT OF CONSOLIDATED SHORT TERM PROVISIONS, AS RESTATED

(₹ in lakhs)

Particulars	As at March 31,	
	2019	2018
Employee Benefits		
Provision for Gratuity	-	3.63
Dividend		
Proposed Equity Dividend	-	47.13
Dividend on Distribution Tax Equity Shares		
Proposed Dividend Distribution Tax	-	9.68
Current Tax Provision		
Provision For Tax	151.39	97.22
Total of Short Term Provisions	151.39	157.66

Annexure XIV
STATEMENT OF CONSOLIDATED FIXED ASSETS, AS RESTATED

Tangible Assets

(₹ in lakhs)

Particulars	As at March 31,	
	2019	2018
Tangible Assets		
PLANT AND MACHINERY		
Gross Block	169.10	117.55
Addition during the year	174.88	51.55

Particulars	As at March 31,	
	2019	2018
Reductions during the year	54.86	-
Adjusted to General Reserves	-	-
Depreciation During the year	9.95	7.13
Accumulated Depreciation	57.39	88.97
Net Asset written off	-	-
Net Depreciation written off	41.53	-
Closing Balance	**231.73**	**80.13**
BUILDING (FACTORY & OTHER)		
Gross Block	184.32	152.22
Addition during the year	5.45	32.10
Reductions during the year	-	-
Adjusted to General Reserves	-	-
Depreciation During the year	4.88	3.94
Accumulated Depreciation	65.92	61.04
Net Asset written off	-	-
Net Depreciation written off	-	-
Closing Balance	**123.85**	**123.28**
OFFICE EQUIPMENT		
Gross Block	4.16	2.56
Addition during the year	0.57	1.60
Reductions during the year	-	-
Adjusted to General Reserves	-	-
Depreciation During the year	0.30	0.21
Accumulated Depreciation	1.20	0.90
Net Asset written off	-	-
Net Depreciation written off	-	-
Closing Balance	**3.53**	**3.26**
FACTORY EQUIPMENTS		
Gross Block	6.60	6.20
Addition during the year	2.28	0.40
Reductions during the year	-	-
Adjusted to General Reserves	-	-
Depreciation During the year	0.50	0.39
Accumulated Depreciation	4.01	3.51
Net Asset written off	-	-
Net Depreciation written off	-	-
Closing Balance	**4.87**	**3.09**
FURNITURE AND FIXTURES		
Gross Block	30.52	16.62
Addition during the year	13.41	13.90
Reductions during the year	-	-
Adjusted to General Reserves	-	-
Depreciation During the year	2.96	1.69
Accumulated Depreciation	14.65	11.87
Other Adjustments	0.18	-
Net asset written off	-	-
Net Depreciation written off	-	-
Closing Balance	**29.28**	**18.65**

Particulars	As at March 31,	
	2019	2018
MOTOR VEHICLES		
Gross Block	102.27	74.70
Addition during the year	-	39.66
Reductions during the year	-	12.09
Adjusted to General Reserves	-	-
Depreciation During the year	13.06	11.71
Accumulated Depreciation	61.33	48.27
Net Asset written off	-	-
Net Depreciation written off	-	5.01
Closing Balance	**40.94**	**54.00**
ASSETS USED IN R & D		
Gross Block	7.35	7.22
Addition during the year	22.65	0.13
Reductions during the year	-	-
Adjusted to General Reserves	-	-
Depreciation During the year	1.75	0.99
Accumulated Depreciation	3.05	1.30
Net Asset written off	-	-
Net Depreciation written off	-	-
Closing Balance	**26.95**	**6.05**
COMPUTER		
Gross Block	18.69	16.23
Addition during the year	1.59	2.46
Reductions during the year	-	-
Adjusted to General Reserves	-	-
Depreciation During the year	1.49	1.11
Accumulated Depreciation	16.61	15.12
Net Asset written off	-	-
Net Depreciation wirtten off	-	-
Closing Balance	**3.67**	**3.57**
Gross Block of Tangible Assets	**523.01**	**393.30**
Addition	**220.83**	**141.80**
Deletion	**54.86**	**12.09**
Total Depreciation For the Year	**34.89**	**27.17**
Total Accumulated Depreciation	**224.16**	**230.98**
Net Block of Tangible Assets	**464.82**	**292.03**

Intangible Assets

(₹ in lakhs)

Particulars	As at March 31,	
	2019	2018
SOFTWARES		
Gross Block of Intangible Assets	15.31	15.17
Addition during the year	2.28	0.14
Reductions during the year	-	-
Adjusted to General Reserves	-	-
Depreciation During the year	2.84	2.70
Accumulated Depreciation	11.05	8.22
Other Adjustment	0.01	-
Net Asset written off	-	-

Particulars	As at March 31,	
	2019	2018
Net Depreciation wirtten off	-	-
Net Block of Intangible Assets	**6.54**	**7.09**

Annexure XV
STATEMENT OF CONSOLIDATED OTHER NON-CURRENT INVESTMENTS, AS RESTATED

(₹ in lakhs)

Particulars	As at March 31,	
	2019	2018
Investments in Equity Instruments		
Traded, Quoted		
Asian Paints Ltd	-	0.79
Capital First Ltd	-	0.99
Cyient Limited	-	0.49
Hero Motocorp Ltd	-	1.14
Lupin Ltd	-	1.18
Maruti Suzuki India Ltd	-	0.88
PTC India Financial Services Ltd	-	0.74
Tata Motors Ltd	-	0.50
TVS Srichakra Ltd	-	0.78
Larsen & Toubro Ltd	-	1.40
M M Forgings Ltd.	-	0.50
Infosys Ltd.	-	0.81
TV Today Network Ltd.	-	0.76
Castrol India Ltd.	-	0.59
Total Of Non Current Investment	**-**	**11.55**

Annexure XVI
STATEMNENT OF CONSOLIDATED LONG TERM LOANS AND ADVANCES AS RESTAED

(₹ in lakhs)

Particulars	As at March 31,	
	2019	2018
Capital Advances		
Chandrikaben Dhansukhlal Gandhi	102.01	-
Security Deposit		
Unsecured, considered good		
Deposit with Josh Petroleum	0.10	0.10
Deposit with DGVCL	2.79	1.19
Rent Deposit with Bijal D. Desai	5.00	5.00
Telephone Deposit	0.03	0.03
Utility Deposit	0.31	0.29
Office Rent Deposit	0.69	0.65
Deposit with BSE	3.88	3.88
Total of Long Term Loan and Advances	**114.81**	**11.14**

Annexure XVII
STATEMENT OF CONSOLIDATED CURRENT INVESTMENTS, AS RESTATED

(₹ in lakhs)

Particulars	As at March 31,	
	2019	2018
Investments in Equity Instruments		
Trade, Quoted		
TV Today Network Ltd.	-	0.66
Castrol India Ltd.	-	0.43

Particulars	As at March 31,	
	2019	2018
Aditya Birla Capital Limited	-	0.22
CESC Limited	-	0.99
Power Grid Corporation Of India	-	1.67
Grasim Industries Limited	-	1.12
The Federal Bank Limited	-	1.01
Total of Current Investment	**-**	**6.10**

Annexure XVIII
STATEMENT OF CONSOLIDATED INVENTORIES, AS RESTATED

(₹ in lakhs)

Particulars	As at March 31,	
	2019	2018
Raw Material		
Closing Stock of Yarn Division	14.92	24.81
Closing Stock of Machine Division	261.05	127.70
Finished Goods	-	
Finished Goods of Machine Division	179.10	26.74
Semi Finished Goods of Machine Division	113.97	48.61
Closing Stock of R & D	17.61	10.10
Stock-in-Trade		
Stock-in-Trade of Machine Division	79.02	70.21
Total of Inventories	**665.67**	**308.17**

Annexure XIX
STATEMENT OF CONSOLIDATED TRADE RECEIVABLES, AS RESTATED

(₹ in lakhs)

Particulars	As at March 31,	
	2019	2018
Unsecured Considered Goods		
Within Six Months		
Unsecured, considered good		
Promoters/PG/Subsidiary	-	-
Others	320.09	313.82
Unsecured, considered doubtful	-	-
Less : Provision for doubtful debts	-	-
Exceeding Six Months		
Unsecured, considered good		
Promoters/PG/Subsidiary	-	-
Others	21.13	16.96
Unsecured, considered doubtful	-	-
Less : Provision for doubtful debts	-	-
Total of Trade Receivables	**341.22**	**330.78**

Annexure XX
STATEMENT OF CONSOLIDATED CASH & CASH EQUIVALENTS, AS RESTATED

(₹ in lakhs)

Particulars	As at March 31,	
	2019	2018
Cash in Hand	4.47	1.85
Current Bank Accounts	141.60	122.78
Bank balance of WOS	2.11	5.43
Dollar Account	107.40	11.46
Deposit with Banks	56.64	174.51

Particulars	As at March 31,	
	2019	2018
Total of Cash and Cash Equivalents	**312.22**	**316.03**

Annexure XXI
STATEMENT OF CONSOLIDATED SHORT TERM LOANS AND ADVANCES AS RESTATED

(₹ in lakhs)

Particulars	As at March 31,	
	2019	2018
Unsecured, Considered Goods		
Advance to Suppliers	23.13	17.72
Staff Advances	0.88	0.98
Advance Tax and TDS Receivables	160.98	73.94
Income Tax Refund	1.12	2.81
SGST Receivable	-	57.02
Kotak Mahindra Bank Ltd	-	0.26
Volkswagen Finance Pvt. Ltd.	0.24	0.09
Prepaid Expenses	35.54	12.71
IGST Refundable (Export)	29.99	-
India Infoline Limited	0.03	0.02
Total of Short Term Loan and Advances	**251.91**	**165.55**

Annexure XXII
STATEMENT OF CONSOLIDATED OTHER CURRENT ASSETS, AS RESTATED

(₹ in lakhs)

Particulars	As at March 31,	
	2019	2018
Duty Drawback Income Receivable	4.90	2.56
Interest Receivable on Deposits	0.07	0.61
VAT Credit Receivable	3.01	3.01
VAT / CST Paid Under Protest	1.25	0.75
Total of Other Current Assets	**9.23**	**6.93**

Annexure XXIII
STATEMENT OF CONSOLIDATED REVENUE FROM OPERATIONS, AS RESTATED

(₹ in lakhs)

Particulars	As at March 31,	
	2019	2018
Revenue from operations		
Sale of products	3,652.37	2,239.54
Sale of services	16.98	11.81
Less intersegment sales	(124.18)	(101.69)
Other operating revenues		
Shipping and delivery income	13.24	-
Total of Revenue From Operation	**3,558.41**	**2,149.66**
Details of Sales :		
a. Sale of Textiles Machineries	2,697.50	1,650.27
b. Sale of Yarn	954.87	589.27
c. Labour income of Textiles Machineries	16.98	11.81

Annexure XXIV
STATEMENT OF CONSOLIDATED OTHER INCOME AS RESTATED

(₹ in lakhs)

Particulars	As at March 31,		Recurring / Non Recurring Income[1]
	2019	2018	
Interest Income	6.30	10.91	Recurring and related to business activity
Dividend Income	0.32	0.40	Non Recurring and not related to business activity
Duty Drawback Income	20.63	11.00	Recurring and related to business activity
Discount Received	12.43	8.51	Recurring and related to business activity
Profit on Sale of Investment	2.68	5.83	Non Recurring and not related to business activity
Profit on Sale of Fixed Assets	12.78	0.42	Non Recurring and related to business activity
Foreign Exchange Difference (Net)	22.85	6.14	Recurring and related to business activity
Net Exchange Gain / Loss on Tangible Assets	2.02	0.32	Non Recurring and related to business activity
Late Payment Charges Received	3.31	1.15	Non Recurring and related to business activity
Total of Other Income	**83.32**	**44.68**	
Net Profit Before Tax as Restated	663.1	332.36	
Percentage	**12.57**	**13.44**	

[1] The classification of other income as recurring / non-recurring and related / not related to business activity is based on the current operations and business activity of the Company as determined by the management

Annexure XXV
STATEMENT OF CONSOLIDATED RELATED PARTY TRANSACTIONS, AS RESTATED

(₹ in lakhs)

Particulars	Nature of Relationship	Nature of Transaction	Amount of Transaction During the Period Ended March 31,		Amount outstanding as on March 31, (Payable) / Receivable	
			2019	2018	2019	2018
Dharmesh V. Desai	Managing Director	Managerial Remuneration	30.00	30.00	(1.98)	(1.98)
Bijal D. Desai	Whole Time Director	Managerial Remuneration	21.00	21.00	(1.13)	(1.13)
Bijal D. Desai	Whole Time Director	Rent (Factory Land)	20.16	19.20	(1.51)	(1.44)
Vinod S. Ojha	CFO	Managerial Remuneration	7.75	5.79	0.43	0.49
Bhavisha K. Khakhkhar[1]	Company Secretary	Managerial Remuneration	5.38	-	0.43	-
Parvez Shaikh[1]	Company Secretary	Managerial Remuneration	-	5.66	-	0.45
Dharmesh V. Desai	Managing Director	Short Term Deposits Received	-	1.00	-	-
Bijal D. Desai	Whole Time Director	Short Term Deposits Received	-	1.00	-	-
Dharmesh V. Desai	Managing Director	Short Term Deposits Repaid	-	2.00	-	-

Particulars	Nature of Relationship	Nature of Transaction	Amount of Transaction During the Period Ended March 31,		Amount outstanding as on March 31, (Payable) / Receivable	
			2019	2018	2019	2018
Bijal D. Desai	Whole Time Director	Short Term Deposits Repaid	-	2.00	-	-
Bijal D. Desai	Whole Time Director	Rent Deposit	-	-	5.00	5.00

(1) Pravez Shaikh, Company Secretary of the company has resigned with effect from 03/04/2018 and his place Company has appointed Ms. Bhavisha K. Khakhkhar as Company Secretary with effect from 25/04/2018.

Note: No loans have been granted by the Company to any person for the purpose of investing in the shares of Meera Industries Limited.

Annexure XXVI
STATEMENT OF CONSOLIDATED CONTINGENT LIABILITIES, AS RESTATED

(₹ in lakhs)

Particulars	For the year ended March 31,	
	2019	2018
Sales Tax Assessment for Sales Tax A.Y. 2006-2007 pending before Gujarat Commercial Tax Tribunal, Ahmedabad	13.02	13.02
Total Contingent Liabilities	**13.02**	**13.02**

Annexure XXVII
SCHEDULE OF CONSOLIDATED DIVIDEND DECLARED, AS RESTATED

Particulars	For the year ended March 31,	
	2019	2018
Issued Number of Shares	39.275	39.275
Face Value Per Share	10.00	10.00
Interim Dividend		
Rate of Dividend (%)	-	10%
Amount of Dividend per Share	-	1.00
Interim Dividend Amount (a)	-	39.28
Final Dividend		
Rate of Dividend (%)	-	12%
Amount of Dividend per Share	-	1.20
Final Dividend Amount (b)	-	47.13
Total amount of Dividend (a+b)	-	86.41
Total Dividend Tax	-	17.68

Annexure XXVIII
STATEMENT OF CONSOLIDATED TAX SHELTER, AS RESTATED

(₹ in lakhs)

Particulars	As at March 31,	
	2019	2018
Tax Rates		
Normal Income Tax Rate (%)	27.82%	27.55%
Special Income Tax Rate (%)	16.69%	16.53%
Minimum Alternate Tax Rate (%)	20.39%	20.39%

Particulars	As at March 31,	
	2019	2018
Restated Income before tax as per books	663.10	332.36
Less Income / Add Loss of WOS	-48.64	14.32
Restated Income before tax as per books (A)	**614.46**	**346.68**
Incomes considered separately		
Interest Income	6.30	10.91
Dividend Income	0.32	0.40
Profit on Sale of Investments	2.68	5.83
Total Incomes considered separately (B)	**9.30**	**17.14**
Restated Profit other than income considered separately (C)=(A-B)	**605.16**	**329.54**
Tax Adjustment		
Permanent Differences		
Interest on Income Tax	2.61	0.73
Interest on TDS	0.01	0.04
Income Tax Paid	0.01	-
Demat, STT & Other Charges and PMS Charges	0.04	0.47
Disallowance U/S. 14A	0.17	0.36
Disallowance U/S. 36	1.25	0.01
Allowed U/S. 35(1)(2AB) in Excess of Amount Debited to P & L A/c.	(59.19)	(21.11)
Foreign Exchange on Tangible Fixed Asset	(2.02)	(0.32)
Profit on Sale of Tangible Assets	(12.78)	(0.42)
Bank Charges	-	0.20
Share Issue Expenses	-	9.70
Penalty Under Service tax	-	0.24
Late Payment Charges	0.01	0.04
Corporate Social Responsibility	5.00	-
Donation	0.05	1.61
Total Permanent Differences (D)	**(64.84)**	**(8.45)**
Timing Differences		
Depreciation as per Income Tax	(45.72)	(30.36)
Depreciation as per Books	37.30	29.57
Share Issue Expenses	-	19.64
Share Issue Expenses Allowable 1/5 U/S. 35D	(3.93)	(3.93)
Gratuity Provision	(19.20)	6.06
Bonus Payable	7.16	-
Total Timing Differences (E)	**(24.39)**	**20.98**
Income From Business or Profession (F)=(C+D+E)	**515.93**	**342.07**
Income From Capital Gain		
Long Term Capital Gain on STT Paid	1.40	4.78
Less Exemption U/s. 10(38)	(1.40)	(4.78)
Short Term Capital Gain on Without STT Paid	-	0.16
Short Term Capital Gain on STT Paid	1.28	0.89
Taxable income from Capital Gain (G)	**1.28**	**1.05**
Income From Other Sources		
Dividend Income	0.32	0.40
Less Exemption U/S. 10(34)	(0.32)	(0.40)
Interest Income	6.30	10.91
Taxable income from Other Source (H)	**6.30**	**10.91**
Less Deduction Under Chapter - VIA		
80G Donation (Others)	**-**	**0.81**

Particulars	As at March 31,	
	2019	2018
Total Deduction as per Income Tax Act. (I)	**-**	**0.81**
Total Taxable income (F+G+H-I)	**523.51**	**353.22**
Total Taxable Income @ Normal Tax Rate	**522.23**	**352.33**
Tax @ Normal Tax Rate	**145.28**	**97.08**
Total Taxable Income @ Special Tax Rate	**1.28**	**0.89**
Tax @ Special Tax Rate	**0.21**	**0.15**
Net Taxable Income	**523.51**	**353.22**
Tax on Total Income	**145.50**	**97.22**
MAT on Book Profit	**125.28**	**70.68**
Tax paid as per normal or MAT	Normal	Normal
Total Tax as per Return	**145.50**	**98.11**

Annexure XXIX
STATEMENT OF CONSOLIDATED SEGMENT REPORTING

A. DISCLOSURE OF BUSINESS SEGMENT

Particulars	Year Ended March 31, 2019					Year Ended March 31, 2018				
	Machine mfg.	Machine trading	Yarn	Eliminations	Total	Machine mfg.	Machine trading	Yarn	Eliminations	Total
Revenue										
External Sales	2368.71	234.83	954.87	-	3558.41	1420.99	139.39	589.27	-	2149.65
Inter-segment Sale	124.18	-	-	-124.18	-	101.69	-	3.04	-104.74	-0.01
Total Revenue	2492.89	234.83	954.87	-124.18	3558.41	1522.68	139.39	592.31	-104.74	2149.64
Result										
Segment Result	569.71	48.63	42.93	-	661.27	303.60	-14.33	34.07	-	323.34
Unallocated corporate Exp.	-	-	-	-	-	-	-	-	-	-
Operating Profit	-	-	-	-	661.27	-	-	-	-	323.34
Interest Expenses	-	-	-	-	-4.46	-	-	-	-	-1.88
Interest Income	-	-	-	-	6.29	-	-	-	-	10.90
Income Tax	-	-	-	-	-151.39	-	-	-	-	-97.22
Deferred Tax	-	-	-	-	-17.16	-	-	-	-	5.66
Profit From Ordinary Activities	-	-	-	-	494.55	-	-	-	-	240.80
Extraordinary Items	-	-	-	-	-	-	-	-	-	-
Net Profit	-	-	-	-	494.55	-	-	-	-	240.80
Other Information										
Segmental assets	1478.51	94.47	263.69	-	1836.67	902.69	90.21	282.80	-	1275.70
Common assets	-	-	-	-	329.75	-	-	-	-	192.44
Enterprise assets	-	-	-	-	2166.42	-	-	-	-	1468.14
Segmental liabilities	500.19	5.94	97.51	-	603.64	483.58	0.70	82.42	-	566.70
Common liabilities	-	-	-	-	167.59	-	-	-	-	-
Enterprise liabilities	-	-	-	-	771.23	-	-	-	-	566.70
Capital expenditure during the year	199.85	0.00	12.48	-	212.33	92.91	3.10	56.71	-	152.72
Common capital expenditure	-	-	-	-	-	-	-	-	-	-
Total Capital expenditure during the year	-	-	-	-	212.33	-	-	-	-	152.72
Depreciation during the year	34.84	0.43	2.46	-	37.73	28.96	0.30	0.61	-	29.87

Particulars	Year Ended March 31, 2019					Year Ended March 31, 2018				
	Machine mfg.	Machine trading	Yarn	Eliminations	Total	Machine mfg.	Machine trading	Yarn	Eliminations	Total
Depreciation on common assets used	-	-	-	-	-	-	-	-	-	-
Total depreciation during the year	-	-	-	-	37.73	-	-	-	-	29.87

B. DISCLOUSER OF GEOGRAPHICAL SEGMENTS

Particulars	Year Ended March 31, 2019			Year Ended March 31, 2018		
	India	USA	Total	India	USA	Total
Revenue						
Segment Revenue	3,323.58	234.83	3,558.41	2,010.27	139.39	2,149.66
Other Information						
Segment Assets	2,071.95	94.47	2,166.42	1,377.93	90.21	1,468.14
Capital Expenditure incurred	212.33	-	212.33	149.62	3.10	152.72

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.

OTHER FINANCIAL INFORMATION

STATEMENT OF CONSOLIDATED ACCOUNTING RATIOS

(₹ in Lakhs)

Particulars	As at March 31,	
	2019	2018
Restated PAT as per P & L Account	494.55	240.80
Actual Number of Equity Shares outstanding at the end of the year	3,927,500	3,927,500
Equivalent Weighted Avg number of Equity Shares at the end of the year	3,927,500	3,815,062
Share Capital	392.75	392.75
Reserves & Surplus	1,002.44	508.69
Misc. Expenses not w/off	-	-
Net Worth	1,395.19	901.44
Earnings Per Share:		
Basic		
Basic & Diluted	12.59	6.31
Return on Net Worth (%)	35.45%	26.71%
Net Asset Value Per Share (Rs) - based on actual no. of equity shares at the end of the year	35.52	22.95
Nominal Value per Equity share (₹)	10.00	10.00

Notes to Accounting Ratios:

1) The above statement should be read with the Significant accounting policies and notes to accounts appearing in Annexure IV & V respectively.
2) The Ratios have been computed as follows:
   a) Basic EPS (₹) = $\frac{\text{Net profit / (loss) as restated , attributable to Equity Shareholders}}{\text{Weighted average number of Equity Shares outstanding during the year /period}}$

   b) Return on Net worth (%) = $\frac{\text{Net profit /loss after tax,as restated}}{\text{Net worth excluding preference share capital and revaluation reserve}}$

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

3) Weighted average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the period adjusted by the number of Equity Shares issued during period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period.
4) 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.
5) As there is no dilutive capital in the company, Basic and Diluted EPS are similar.
6) The above Ratios have been computed on the basis of the Restated Financial Information for the respective period. The above statements should be read with the Notes to Restated Financial Statements.

CAPITALISATION STATEMENT

STATEMENT OF CAPITALISATION, AS RESTATED

(₹ in lakhs)

Particulars	Pre Issue (as at March 31, 2019)	Post Issue
Borrowings		
Short term debt (A)	-	-
Long Term Debt (B)	-	-
Total debts (C=A+B)	-	-
Shareholders' funds		
Equity share capital (D)	392.75	444.95
Reserve and surplus - as restated (E)	1,002.44	2,124.74
Total shareholders' funds (F=D+E)	**1,395.19**	**2,569.69**
Long term debt / shareholders funds	-	-
Total debt / shareholders funds	-	-

Note:

The above has been computed on the basis of Restated Financials of the Company.

REPORT OF THE AUDITORS ON STANDALONE FINANCIAL STATEMENTS

To,

The Board of Directors
Meera Industries Limited
2126, Road No. 2
GIDC Sachin, Surat – 394230

Dear Sirs,

Subject: Financial Information of Meera Industries Limited

1. We have examined, the attached Restated standalone Statement of Assets and Liabilities of Meera Industries Limited ('the Company') as at March 31, 2019, March 31, 2018, and March 31, 2017, the Restated Standalone Summary Statement of Profit and Loss and the Restated Standalone Summary Statement of Cash Flows for the years ended March 31, 2019, March 31, 2018 and March 31, 2017 and annexed to this report (collectively, the "Restated Financial Information") as approved by the Board of Directors of the Company for the purpose of inclusion in the offer document prepared by the Company in connection with its proposed Further Public Offer (FPO) of equity shares prepared in terms of the requirements of:

    a. Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act") read with Companies (Prospectus and Allotment of Securities) Rules, 2014 ("the Rules");

    b. the Securities And Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time in pursuance of provisions of Securities and Exchange Board of India Act, 1992 ("SEBI-ICDR Regulations"); and

    c. the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India as amended from time to time (the "Guidance Note").

2. The Restated Standalone summary statements of the Company have been extracted by the Management from the Audited Standalone financial statements of the Company for the years ended March 31, 2019, March 31, 2018 and March 31, 2017. Our responsibility is to examine the Restated Standalone Financial Information and confirm whether such Restated Standalone Financial Information comply with the requirements of the Act, the Rules, SEBI-ICDR Regulations and the Guidance Note.

3. We have examined these Restated Standalone Financial Information taking into consideration

    a. The terms of reference to our engagements with the Company requesting us to examine financial statements referred to above and proposed to be included in the Draft Prospectus / Prospectus being issued by the Company for its proposed Further Public Offering of equity shares in SME Platform of BSE ("FPO" or "SME FPO"); and

    b. The Guidance Note on reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India

4. These Restated Standalone Financial Information have been compiled by the Management from the Standalone audited Financial Statements of the Company for the years ended March 31,2019, March 31, 2018, and March 31, 2017 which have been approved by the Board of Directors of the Company.

5. The Statutory Audit of the Company are for financial year ended on March31, 2019, March 31, 2018, and March 31, 2017 which have been conducted by us and accordingly, reliance has been placed on the financial information examined by us. We have examined the books of account underlying those financial statements and other records of the Company, to the extent considered necessary by us, for the presentation of the Restated Summary Statements under the requirements of Schedule III of the Act.

6. In terms of Schedule VI (Part A) (11) (II) (i) of the SEBI (ICDR) Regulations, 2018 and other provisions relating to accounts of Meera Industries Limited, we, K A Sanghavi and 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.

7. Based on our examination, we report that:

   a. The Restated Standalone Summary Statement of Assets and Liabilities of the Company examined and reported as at March 31, 2019, March 31, 2018 and March 31, 2017 examined by us, as set out in Annexure I read with significant accounting policies and related notes to account in Annexure IV and V are after making adjustments and regrouping / reclassifications as in our opinion were appropriate and more fully described in schedules to the related summary statements.

   b. The Restated Standalone Summary Statement of Profit and Loss of the Company for the years ended March 31, 2019, March 31, 2018 and March 31, 2017 examined by us, as set out in Annexure II read with significant accounting policies and related notes to account in Annexure IV and V are after making adjustments and regrouping / reclassifications as in our opinion were appropriate and more fully described in schedules to the related summary statements.

   c. The Restated Standalone Summary Statement of Cash Flows of the Company for the years ended March 31, 2019, March 31, 2018 and March 31, 2017 examined by us, as set out in Annexure III read with significant accounting policies and related notes to account in Annexure IV and V are after making adjustments and regrouping / reclassifications as in our opinion were appropriate and more fully described in schedules to the related summary statements.

   d. Based on the above, according to the information and explanations given to us we are of opinion that the Restated Standalone Financial Information :

      i. have been made after incorporating adjustments for changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting periods;

      ii. have been made after incorporating adjustments for the material amounts in the respective financial years to which they relate; and

      iii. do not contain any extra-ordinary items that need to be disclosed separately.

      iv. There were no qualifications in the Audit report issued by the Statutory Auditor of the Company for the years ended March 31, 2019, March 31, 2018 and March 31, 2017 which would require adjustments in this restated Financial statements of the Company.

   e. We have also examined the following financial information as set out in the Annexure prepared by the management and approved by the Board of Directors relating to for the years ended March 31, 2019, March 31, 2018 and March 31, 2017

      i. Restated Standalone Statement of Share Capital as restated as appearing in ANNEXURE VI to this report;
      ii. Restated Standalone Statement of Reserves and Surplus as restated as appearing in ANNEXURE VII to this report;
      iii. Restated Standalone Statement of Long Term Borrowings as restated as appearing in ANNEXURE VIII to this report;
      iv. Restated Standalone Statement of Deferred Tax Asset/Liability as restated as per ANNEXURE IX to this report;
      v. Restated Standalone statement of Long Term Provisions as restated as appearing in ANNEXURE X to this report;
      vi. Restated Standalone statement of Trade Payables as restated as appearing in ANNEXURE XI to this report;

vii. Restated Standalone statement of Other Current Liabilities as restated as appearing in ANNEXURE XII to this report;
viii. Restated Standalone statement of Short Term Provisions as restated as appearing in ANNEXURE XIII to this report;
ix. Restated Standalone statement of Fixed Assets as restated as appearing in ANNEXURE XIV to this report;
x. Restated Standalone statement of Non-Current Investments as restated as appearing in ANNEXURE XV to this report;
xi. Restated Standalone statement of Long Term Loans and Advances as restated as appearing in ANNEXURE XVI to this report;
xii. Restated Standalone statement of Current Investments as restated as appearing in ANNEXURE XVII to this report;
xiii. Restated Standalone statement of Inventories as restated as appearing in ANNEXURE XVIII to this report;
xiv. Restated Standalone statement of Trade Receivable as restated as appearing in ANNEXURE XIX to this report;
xv. Restated Standalone statement of Cash And Cash Equivalents as restated as appearing in ANNEXURE XX to this report;
xvi. Restated Standalone statement of Short Term Loans And Advances as restated as appearing in ANNEXURE XXI to this report;
xvii. Restated Standalone statement of Other Current Assets as restated in ANNEXURE XXII to this report;
xviii. Restated Standalone statement of Revenue From Operations as restated as appearing in ANNEXURE XXIII to this report;
xix. Restated Standalone statement of Other Income as restated as appearing in ANNEXURE XXIV to this report;
xx. Details of related party transactions as restated as appearing in ANNEXURE XXV to this Report;
xxi. Standalone Statement of Contingent Liability as restated as appearing in ANNEXURE XXVI to this Report;
xxii. Standalone Statement of Dividend declared and paid as restated as appearing in ANNEXURE XXVII to this report;
xxiii. Standalone Statement of tax shelters as restated as appearing in ANNEXURE XXVIII to this report.
xxiv. Standalone Statement of Segment reporting as restated as appearing in ANNEXURE XXIX to this report.

According to the information and explanations given to us in our opinion the Restated Standalone Financial Information and the above restated Standalone financial information contained in Annexures I to XXIX accompanying this report read along with the Significant Accounting Policies and Notes as set out in Annexure IV and V are prepared after making adjustments and regroupings as considered appropriate and have been prepared in accordance with Section 26 of Part I of Chapter III of the Companies Act, 2013 read with Companies (Prospectus and Allotment of Securities) Rules, 2014, SEBI ICDR Regulations and the Guidance Note.

8. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

9. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

10. Our report is intended solely for use of the Management for inclusion in the offer document to be filed with BSE Limited and Registrar of Companies, Ahmedabad in connection with the proposed FPO of equity shares of the Company. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

For, K A Sanghavi & Co. LLP,
Chartered Accountants,
(Firm Reg. No: 120846W/W100289)

Amish Ashvinbhai Sanghavi
Designated Partner
(M. No.: 101413)

Place: Surat
Date: May 17, 2019

Annexure I
STATEMENT OF STANDALONE ASSETS AND LIABILITIES, AS RESTATED

(M in lakhs)

Particulars	As At March 31,		
	2019	2018	2017
EQUITY AND LIABILITIES			
Shareholders' Funds			
a. Share Capital	392.75	392.75	284.75
b. Reserves & Surplus	978.84	527.04	95.21
	1,371.59	**919.79**	**379.96**
Share Application Money Pending Allotment			
Non Current Liabilities			
a. Long Term Borrowings	-	17.77	-
b. Deferred Tax Liabilities	15.19	-	3.69
c. Long Term Provisions	6.90	22.47	17.65
	22.09	**40.24**	**21.34**
Current Liabilities			
a. Short Term Borrowings	-	-	-
b. Trade Payables	469.25	263.11	169.91
c. Other Current Liabilities	128.45	104.99	129.84
b. Short Term Provisions	145.50	157.66	89.94
	743.20	**525.76**	**389.69**
TOTAL	**2,136.88**	**1,485.79**	**790.99**
ASSETS			
Non Current Assets			
a. Property, Plant and Equipment (Net Block)			
i. Tangible Assets	686.02	520.05	393.30
ii. Intangible Assets	17.45	15.17	15.17
Gross Block	703.47	535.22	408.47
Less: Depreciation	234.67	238.90	214.34
Net Block	468.80	296.32	194.13
iii. Capital Work in Progress	-	10.80	-
b. Non Current Investment	64.76	76.31	23.65
c. Deferred Tax Assets (Net)	-	1.97	-
d. Long Term Loans & Advances	113.81	10.20	7.32
	647.37	**395.60**	**225.10**
Current Assets			
a. Current Investment	-	6.10	1.03
b. Inventories	586.65	237.96	123.11
c. Trade Receivables	331.61	363.05	99.45
d. Cash and Cash Equivalents	310.11	310.60	221.44
e. Short Term Loans & Advances	251.91	165.55	57.60
f. Other Current Assets	9.23	6.93	63.26
	1,489.51	**1,090.19**	**565.89**
TOTAL	**2,136.88**	**1,485.79**	**790.99**

Annexure II
STATEMENT OF STANDALONE PROFIT AND LOSS, AS RESTATED

(M in lakhs)

Particulars	As At March 31,		
	2019	2018	2017
INCOME			
Revenue from Operations	3,447.76	2,111.96	1,315.45
Other Income	83.31	44.67	33.57
Total Revenue	**3,531.07**	**2,156.63**	**1,349.02**
EXPENDITURE			
Cost of Material Consumed	2,273.23	1,262.73	774.78
Purchases of Stock-in-Trade			
Changes in Inventory of Finished Goods Work-in-Progress and Stock-in-Trade	(217.72)	(12.58)	(47.20)
Employee benefit expenses	298.83	209.57	145.55
Finance costs	7.86	4.32	3.16
Depreciation	37.30	29.57	25.39
Other Expenses	517.11	316.34	286.77
Total Expenses	**2,916.61**	**1,809.95**	**1,188.45**
Profit before extraordinary items and tax (A-B)	**614.46**	**346.68**	**160.57**
Prior period items (Net)	-	-	-
Profit before exceptional, extraordinary items and tax (A-B)	614.46	346.68	160.57
Exceptional items	-	-	-
Profit before extraordinary items and tax	614.46	346.68	160.57
Extraordinary items	-	-	-
Profit before tax	**614.46**	**346.68**	**160.57**
Tax expense :			
(i) Current tax	145.50	97.22	40.28
(ii) MAT credit	-	-	-
(iii) Deferred tax	17.16	(5.66)	(5.02)
Total Tax Expense	**162.66**	**91.56**	**35.26**
Restated Profit after tax for the year (D-E)	**451.80**	**255.12**	**125.31**
Earnings Per Equity Share:			
(a) Basic Earnings Per Share	11.50	6.69	4.52
(b) Diluted Earnings Per Share	11.50	6.69	4.52

Annexure III
CASH FLOW STATEMENT, AS RESTATED

(M in lakhs)

Particulars	As At March 31,		
	2019	2018	2017
Cash flow from operating activities:			
Net Profit / (Loss) before tax as per Profit And Loss account	614.46	346.68	160.57
Adjusted for:			
Depreciation & Amortisation	37.30	29.57	25.39
Tax paid on regular assessment	-	-	0.04
Dividend income	(0.32)	(0.40)	(0.38)
Interest income	(6.29)	(10.90)	(7.93)
Profit on sae of tangible assets	(12.78)	(0.42)	-
Profit on sale of investment	(2.68)	(5.83)	(0.19)
Operating profit / (loss) before working capital changes	**629.69**	**358.70**	**177.50**
Movements in working capital			
Increase / decrease in trade receivables	31.44	(263.60)	(31.50)
Increase / decrease in inventories	(348.69)	(114.85)	(64.03)
Increase / decrease in short term loans and advances	0.70	(71.80)	(16.10)
Increase / decrease in other current assets	(2.30)	56.33	(45.42)
Increase / decrease in trade payables	206.14	93.20	59.05
Increase / decrease in long term loans and advances	(103.61)	(2.88)	(5.82)
Increase / decrease in other current liabilities	33.63	(32.17)	(10.50)
Increase / decrease in short term provisions	(3.63)	1.24	2.39
Increase / decrease in long term provisions	(15.57)	4.82	3.27
Cash (used in)/generated from operating activities	**427.80**	**28.99**	**68.84**
Direct Tax Paid, net	(184.25)	(76.43)	(45.34)
Net cash (used in)/generated flow from operating activities : (A)	**243.55**	**(47.44)**	**23.50**
Cash flow from investing activities:			
Purchase of asset included in capital work-in-progress	(212.33)	(149.62)	(17.03)
Proceeds from sale of tangible assets	26.11	7.50	-
Investment in wholly owned subsidiary	-	(64.76)	-
Purchase of equity shares as investments	-	(17.52)	(4.08)
Proceeds from sale of shares as investments	20.33	30.35	2.26
Interest income	6.29	10.90	7.93
Dividend income	0.32	0.40	0.38
Net cash (used in)/generated from investing activities : (B)	**(159.28)**	**(182.75)**	**(10.54)**
Cash flow from financing activities:			
Proceeds from issuance of share capital including premium	-	388.80	30.00
Payment of interim / final dividend to equity shareholders	(47.13)	(78.55)	-
Payment of dividend distribution tax	(9.69)	(15.99)	-
Proceeds from long term / short term borrowings	-	32.00	2.00
Repayment to long term / short term borrowing	(27.94)	(6.91)	(6.70)
Net Cash (used in)/generated from financing activities : (C)	**(84.76)**	**319.35**	**25.30**

Particulars	As At March 31,		
	2019	2018	2017
Net increase/(decrease) in cash & cash equivalents (A+B+C)	**(0.49)**	**89.16**	**38.26**
Cash & cash equivalents as at beginning of the year	**310.60**	**221.44**	**183.18**
Cash & cash equivalents as at end of the year	**310.11**	**310.60**	**221.44**
Cash & cash equivalents comprises of :			
Cash in hand	4.47	1.85	3.70
Balance with bank	305.64	308.75	217.74
Closing balance of cash & cash equivalents	310.11	310.60	221.44

Annexure IV
SIGNIFICANT ACCOUNTING POLICIES FOR STANDALONE FINANCIALS

Corporate Information:

Meera Industries Limited ("the Company") was incorporated on July 05, 2006 as a private Limited company and later on during Financial Year 2016-2017, it got converted in Public Limited Company domiciled in India. Its shares are listed on BSE SME platform effective from May 15, 2017. The company is primarily engaged in the business of manufacture and sale of customized textile machinery and machinery parts and trading and manufacturing of yarn including Import and Export of the same.

During the year ended as at March 31, 2017 the company has issued 1.5 bonus equity shares against 1 equity shares issued at ₹ 10 each fully paid up out of Securities premium and from profit and loss reserve account. Further company has issued 75,000 Right equity shares of ₹ 10 with premium of ₹ 30 each. The company has declared dividend @ 10% of face value out the free reserves.

During the year ended as at March 31, 2018 company has started manufacturing and trading in yarn including export of the same, the company has issued 1080000 equity shares of ₹ 10 with premium of ₹ 26 each through Initial Public Offer (IPO) and the company has subscribed 1000 shares of the wholly owned Subsidiary company Meera Industries USA LLC at USA as per the norms of RBI and remitted the amount of subscription of USD 1,00,000/-. The company has declared interim divided @ 10% and final dividend @ 12% of face value out of the free reserves.

Basis of preparation of Financial Statements:

The Restated Financial Statements relate to the Company and have been specifically prepared for inclusion in the document to be filed by the Company with the SEBI in connection with the proposed Further Public Offer ('FPO') of equity shares of the Company (referred to as the "Issue"). The Restated Financial Statements consist of the restated summary statement of assets and liabilities of the Company as at March 31, 2019, March 31, 2018, and 31 March 2017 the related restated summary statement of profit and losses and the related restated summary statement of cash flows for each of the years from 1 April 2018 to 31 March 2019, 1 April 2017 to 31 March 2018 and 1 April 2016 to 31 March 2017 (hereinafter collectively referred to as "the Restated Financial Statements").

The Restated Financial Statements have been prepared to comply in all material respects with the requirements of Section 26 read with applicable provisions of the Companies (Prospectus and Allotment of Securities) Rules, 2014 to the Companies Act, 2013 ('the 2013 Act'); and the SEBI (Issue of Capital and Disclosure Requirements) Regulations 2018 ("the SEBI Regulations"), as amended from time to time. The 2013 Act and the SEBI Regulations require the information in respect of the assets and liabilities and profit and losses of the Company for each of the three years immediately preceding the issue of the Offer Document. These Restated Financial Statements were approved by the Board of Directors of the Company in their meeting held on May 17, 2019.

The Audited Financial Statements were prepared in accordance with the generally accepted accounting principle in India (Indian GAAP) at the relevant time. The Restated Financial Statements of the Company have been prepared and presented under the historical cost convention on the accrual basis of accounting and comply with the Accounting Standards issued under the Companies (Accounting Standards) Rules, 2006 which continue to apply under Section 133 of the Companies Act, 2013 [which has superseded Section 211(3C) of the Companies Act, 1956 w.e.f. 12 September 2013], other pronouncements of the Institute of Chartered Accountants of India ('ICAI'), the provisions of the Companies Act, 2013 to the extent notified and applicable.

The Accounting Policy adopted for preparing financial statements for year ending March 31, 2019 have been applied consistently for all the years under restatement.

These restated financial statements have been prepared so as to contain information / disclosures and incorporating adjustments set out below in accordance with the SEBI Regulations:

i. Adjustments for audit qualification requiring corrective adjustment in the financial statements, if any;

ii. Adjustments for the material amounts in respective years to which they relate, if any;

iii. Adjustments for previous years identified and adjusted in arriving at the profits of the years to which they relate irrespective of the year in which the event triggering the profit or loss occurred, if any;

iv. Adjustment to the profits or losses of the earlier years and of the year in which the change in the accounting policy has taken place is recomputed to reflect what the profits or losses of those years would have been if a uniform accounting policy was followed in each of these years, if any;

v. Adjustments for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited financial statements of the Company as at and for the year ended 31 March 2019 and the requirements of the SEBI Regulations, if any;

vi. The resultant impact of tax due to the aforesaid adjustments, if any.

Significant Accounting Policies:

These financial statements of the company have been prepared in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on accrual basis, except in case of assets for which provision for impairment for certain financial instruments which are measured at fair value.

All amounts included in the financial statements are reported in Lakhs Indian Rupees.

ii. Presentation and disclosure of financial statements :

a. During the year end 31ST March 2019, the company has presented the financial statements as per the Schedule III notified under the Companies Act, 2013. The company has also reclassified the previous figures in accordance with the requirements applicable in the current year.

iii. Use of estimates:

a. The preparation of financial statements in conformity with Indian GAAP requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, if any at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

iv. Property Plant and Equipment (AS 10) :

a. Tangible Fixed assets are carried at cost of acquisition and other applicable costs less accumulated depreciation and accumulated impairment loss, if any. The cost of fixed assets includes cost of acquisition plus, any freight, taxes, duties and other incidental expenses that are directly attributable to bring the assets to their working conditions for their intended use. Borrowing costs directly attributable to the qualifying assets are capitalized as part of the cost. The costs of internally generated assets comprise direct costs attributed to the generation of the assets.

b. Capital work in progress, if any comprises of the cost of fixed assets that are not yet ready for their intended use at the balance sheet date. Assets held for disposal, if any are stated at the lower of net book value and the estimated net realizable value.

c. When parts of the items of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to the property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably.

d. Gain / loss arising from de-recognition / sale / disposal of fixed assets are measured as the difference between the net disposal / sale proceeds and the carrying amount of the assets and are recognized in the statement of profit or loss when the asset is derecognized / disposed off.

e. Advances paid towards the acquisition of fixed assets, if any outstanding as of balance sheet date is disclosed under long term loans and advances.

f. No assets have been revalued during the year.

v. Intangible Assets :

a. Intangible assets are stated at the consideration paid for acquisition less accumulated amortization and accumulated impairment losses, if any.

vi. Borrowing Costs (AS 16):

a. Interest paid to Bank for Term Loans have been charged to revenue account since the same are not attributable to the acquisition of qualifying assets as per the requirements of AS 16.

b. Borrowing cost primarily includes interest and amortisation of ancillary costs incurred in connection with the arrangement of borrowings.

c. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset.

vii. Depreciation / Amortization :

a. Depreciation on tangible fixed assets is calculated on the Straight Line Method (SLM) based on the useful lives and residual values estimated by the management in accordance with Schedule II to the Companies Act, 2013. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset.

b. Intangible assets, if any are amortized on a straight line basis over the estimated useful economic life.

c. No assets have been revalued during the year.

viii. Impairment of tangible and Intangible Assets (AS 28):

a. As per the estimates made by the management and as per the various assessments made by the management, there were no indicators whether internal or external (as provided in para 8 of AS 28) which has led to the impairment loss to any assets. Since there are no such indicators which suggest that the net value of the assets would fall significantly by passage of time and normal use, the company has not provided for any impairment loss for any assets during the current financial period. The company has chosen the "value in use" technique and as per the measurement of future cash flow, the management is of the opinion that the future cash flow and the terminal value of the assets would not be significantly less than the carrying value and hence no impairment for any assets has been provided for in the financial statements.

b. No reversal of impairment loss has been recognized in the Profit & loss Account.

c. Since the company has not carried out the activities in segments, the impairment loss or reversal of the impairment loss has not been provided for the segments.

d. In the opinion of the Board of Directors and to the best of their knowledge and belief the aggregate value of the current assets, loans and advances on realization in the ordinary course of business, will not be less than the amount at which they are stated in the Balance Sheet.

ix. Investments (AS 13):

a. Investments which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

b. On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued.

c. Current investments are carried in the financial statements at lower of cost and realisable value. Long-term investments are carried at cost. However, provision for diminution in value, if any is made to recognise a decline other than temporary in the value of such investments.

d. On disposal of an investment, if any, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

x. Government grants and subsidies (AS 12):

a. Grants and subsidies from the government are recognised when there is reasonable assurance that (i) the Company will comply with the conditions attached to them, and (ii) the grant / subsidy will be received.

b. When the grant or subsidy relates to revenue, it is recognised as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognised as deferred income and released to income in equal amounts over the expected useful life of the related asset.

c. During the last 3 restated financial years, the Company has not applied for any Grants / subsidies related to the Revenue or specific Fixed Assets nor the Company has received any such Grants / subsidies in the last 3 year.

d. During the last 3 restated financial years the company has earned and claimed duty draw back on export sales which is recognised as income in the statement of profit and loss on the basis of accrual of the same.

xi. Inventories (AS 2):

a. Inventories of materials include raw materials, yarn, stores and spares and consumables, packing materials, components, work-in-progress and project work-in-progress. Inventories except work-in-progress are valued at the lower of cost and estimated net realisable value. Cost in case of work in progress is determined on the basis of the actual expenditure attributable to the said work till the end of the reporting period.

xii. Revenue recognition (AS 9):

a. Revenue comprises sale & export of customized machinery, yarn and service income, interest income, dividend income and export incentive income. Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and that the revenue can be reliably measured. The Company collects GST as applicable on behalf of the government and therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue.

b. Revenue from sale of goods is recognised in the statement of profit and loss when the significant risks and rewards in respect of ownership of goods has been transferred to the buyer as per the terms of the respective sales order, and the income can be measured reliably and is expected to be received.

c. Interest income are recognized on a time proportion basis taking into account the amount outstanding and the rate applicable

d. Dividend income from investments is recognized when the right to receive payment is established.

e. Export incentives are recognised when the right to receive the same is established.

f. Duty drawback income on export is recognized on accrual basis when the right to receive the claim by the company is established.

g. Exchange gain is recognized on Net basis that is to say after netting off the exchange loss, if any. Exchange gain / loss is recognised on transfer of amount to Rupees Account from Dollar Account maintained by the company during the reporting period.

xiii. CENVAT, Gujarat Vat CREDIT and GST :

a. CENVAT, Gujarat Vat and GST credit available on purchase of materials, purchase of capital goods and input services is not charged to cost of material, capital goods and services. CENVAT, Gujarat Vat and GST Credit availed is accounted by way of adjustment against excise duty, vat and GST payable on dispatch of finished goods, GST or service tax payable on rendering of services.

xiv. Retirement and other Employee benefits (AS 15) :

a. Defined contributions to Provident Fund and Employee State Insurance Corporation are charged to the statement of Profit & Loss of the year, when the employee renders the related service. There are no other obligations other than the contribution payable to the respective statutory authorities.

b. No retirement benefits have been paid to any employee during the year by the company.

c. The company does not pay the leave salary on yearly basis. However, the unavailed leave at the end of the financial year gets carry forwarded to subsequent years for availment.

d. During the year, the company has opted for the group gratuity plan of LIC and paid premium as per the calculations. The amount of premium paid has been debited to the provision of gratuity provided earlier.

xv. Foreign Exchange Transactions (AS 11):

a. Transactions in foreign currencies other than those covered by forward contracts entered into by the Company are accounted at the exchange rates prevailing on the date of transactions or at rates that closely approximate the rate at the date of the transaction.

b. Exchange gain income is recognised on the basis of the exchange rate fluctuations between the dates of import / exports as the case may be and the actual payment / receipts of the imports / exports.

c. Monetary assets (debtors for exports) and liabilities (Creditors for imports) relating to foreign currency transactions remaining unsettled at the end of the period are translated at the period-end rate and the difference in translation and realized gain and losses on foreign exchange transactions are recognized in the statement of profit and loss.

d. Non-monetary foreign currency items are carried at historical cost determined on the date of transaction.

e. Exchange difference in respect of liability incurred to acquire fixed assets is charged to revenue account. The company has not entered into any forward exchange contracts intended for trading or speculation purposes.

xvi. Taxation (AS 22):

a. Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current

income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit and loss. The amount of current tax actually determined at the time of filing of IT return for the Assessment Year determined the final self assessment tax liability and accordingly the company has reversed the excess provision of current tax charged to statement of profit and loss in earlier period or made additional provision for current tax not charged to statement of profit & loss, in current reporting period as the case may be.

b. Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit and loss.

c. Deferred tax liabilities are recognised for all taxable timing differences. Deferred tax assets are recognised for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

d. At each reporting date, the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

e. The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

f. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

xvii. Provisions and contingent liabilities, Contingent assets (AS 29):

a. A provision is recognised when the Company has a present obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made of the amount of obligation. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These estimates are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

b. Provisions of various expenses are recognized in the financial statements since there exists present obligations as a result of event and the expenses are accrued and incurred during the year.

c. The opening balance of provisions is used during the year against the payments during the year. The closing balances of provisions are the expenses accrued during the year and provided.

d. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably.

e. The Company does not recognise a contingent liability but discloses its existence in the financial statements unless the possibility of an outflow is remote.

f. A contingent asset is not recognized in the financial statements and hence not disclosed.

xviii. Earning / (loss) per share (AS 20) :

a. Basic earnings / (loss) per share are calculated by dividing the net profit / (loss) for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for any bonus shares issued during the year and also after the balance sheet date but before the date the financial statements are approved by the board of directors for the purpose of calculating diluted earnings / (loss) per share. The net profit / (loss) for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

b. The number of equity shares and potentially dilutive equity shares are adjusted for bonus and right issue as appropriate. The dilutive potential equity shares are adjusted for the proceeds receivable, had the shares been issued at fair value. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date.

xix. Cash and Cash Equivalents :

a. Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank and in hand, cheques on hand and short-term investments with an original maturity of three months or less.

xx. Segmental Reporting (AS 17):

a. The Holding company has disclosed business segment as the primary segment. Segments have been identified taking into account the nature of the product, the differing risks and returns, the organization structure and internal reporting system. The Holding company was working in single geographical location i.e. INDIA only and hence there was no segment identified by management. Therefore, the geographical business segmental reporting was not required as per accounting standards 17.

b. The Holding company operations predominantly relate to manufacturing and sale of textile machineries including servicing of machineries on labour basis and also manufacturing and processing of Yarn in local market as well as exports.

c. Segment revenue, segment results, segment assets and segment liabilities include the respective amounts identifiable to each of the segments. Inter-segment transfers have been carried out at mutually agreed prices which are at arm's length price.

d. The accounting principles consistently used in the preparation of the financial statements are also consistently applied to record income and expenditure in individual segments. These are as set out in the note on significant accounting policies.

Notes to Segmental Results:

i. There are certain fixed assets used in holding company business, liabilities contracted and certain common expenses incurred by the holding company have not been identified to any of the reportable segments since the nature of these assets, liabilities and expenses are such that they can be used interchangeably between the segments. The holding company believes that it is currently not practical to provide segment disclosure, except as disclosed above, relating to total assets, liabilities and expenses having interchangeable use between segments, since a meaningful segregation of the available data is not feasible and hence kept in unallocated items."

ii. In financial year 2016 - 2017 the Group was engaged in production of Textile Machinery only and hence there was no segment identified by management. Therefore, the segmental reporting for financial year 2016 - 2017 was not required as per accounting standards 17. The Group has started Yarn segment in financial year 2017- 2018 which is shown under segmental report.

iii. Separate and detailed working of Segmental reporting of primary Business Segment is attached with Standalone financial statements.

xxi. Operating leases :

a. Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on the basis of the lease (rent agreements). Initial direct costs such as legal costs, brokerage costs, etc. if any, are recognised immediately in the statement of profit and loss.

b. The Company has taken Factory land on lease rental agreement of 5 years with fixed rental on monthly basis for each of the years included in the lease period which is increasing every year. Each renewal is at the option of lessee. There are no restrictions placed upon the company by entering into these leases.

c. The company has not entered into any lease agreements with any person during the year whereby any operating lease incomes are generated. The company has not acquired any fixed assets under finance lease / operating lease agreements during the year.

(₹ in lakhs)

Particulars	For the year ended March 31,		
	2019	2018	2017
Rent payable for not later than one year	21.17	20.16	19.20
Rent Expenses	20.16	19.20	10.80

Annexure V
NOTES TO ACCOUNTS FOR STANDALONE FINANCIALS

1. Value of imports calculated on CIF basis

Particulars	For the year ended March 31,		
	2019	2018	2017
Raw Materials & Components	42.98	23.67	16.42
Stores and Spares	NIL	NIL	NIL
Capital Goods	112.47	9.12	NIL

2. Expenditure in Foreign Currency (Accrual Basis)

(₹ in lakhs)

Particulars	For the year ended March 31,		
	2019	2018	2017
Expenses debited in the statement of Profit & Loss being in the nature of:			
Foreign Business Expenses	NIL	NIL	6.67
Exhibition Expenses	18.07	NIL	3.42
Foreign Commission Expenses	9.04	5.25	7.25

3. Imported and Indigenous raw materials, components and spare parts consumed :

(₹ in lakhs)

Particulars	For the year ended March 31,					
	2019		2018		2017	
	Amount	%	Amount	%	Amount	%
Imported	42.98	1.89	23.68	1.88	16.42	2.12
Indigenous	2,230.24	98.11	1,239.05	98.12	758.36	97.88
TOTAL	**2,273.22**	**100.00**	**1,262.73**	**100.00**	**774.78**	**100.00**

4. Earning in Foreign Currency (accrual basis) :

(₹ in lakhs)

Particulars	For the year ended March 31,		
	2019	2018	2017
FOB value of exports	1,084.77	550.62	742.46

5. Incurred Revenue and Capital Expenditure for in House Research and Development

(₹ in lakhs)

Particulars	For the year ended March 31,		
	2019	2018	2017
Revenue Expenditure	50.81	41.85	40.06
Capital Expenditure	22.65	0.13	5.60
Total Expenditure on R & D	**73.46**	**41.98**	**45.66**

6. Managerial Remuneration

(₹ in lakhs)

Particulars	For the year ended March 31,		
	2019	2018	2017
Executive directors			
Directors' Remuneration	51.00	51.00	42.45
Non-Executive directors			
Sitting Fees	1.35	1.80	0.45
Commission / other fees	-	-	-

7. Auditor's remuneration:

(₹ in lakhs)

Particulars	For the year ended March 31,		
	2019	2018	2017
As Statutory Auditor	1.50	1.50	1.00
As Tax Auditor U/S. 44AB of I.T. Act, 1961	0.50	0.50	0.25
Total	**2.00**	**2.00**	**1.25**

8. The value of realization of Current Assets, Loans and Advances in the ordinary course of business will not be less than the value at which they are stated in the Balance Sheet.

9. Balances of trade Receivable and trade Payable are subject to confirmation, reconciliation and consequential adjustment, if any.

10. Previous year figures have been regrouped, re-arranged or reclassified, wherever necessary to conform to this year's classification.

11. There were no qualifications in the Audit report issued by the Statutory Auditor of the Company for the years ended March 31, 2019, March 31, 2018 and March 31, 2017 in the Annexure - A of the Independent Auditor's Report of respective years.

ADJUSTMENTS MADE IN STANDALONE RESTATED FINANCIAL STATEMENTS

I. Adjustments having impact on Profit

(₹ in lakhs)

Particulars	For the year ended March 31,			Adj. in Op. Res.
	2019	2018	2017	
Net Profit/(loss) after tax as per audited statement of profit and loss	448.92	261.29	106.33	
Add / (Less) : Difference in rectified gratuity			14.38	(14.38)
Add / (Less) : Difference in rectified depreciation				
Add / (Less) : Difference in rectified tax		(1.84)	2.96	
Add / (Less) : Difference in rectified DTA/DTL	(0.03)	(1.50)	1.67	-
Add / (Less) : Prior period item	2.91	(2.83)	(0.03)	(0.05)
Profit as per Restated Financials	451.80	255.12	125.31	(14.43)

II. Adjustments not having impact on profit

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 and Disclosure Requirements) Regulations 2018.

Annexure VI
STATEMENT OF STANDALONE SHARE CAPITAL, AS RESTATED

(₹ in lakhs)

Particulars	As at March 31,		
	2019	2018	2017
Equity Share Capital			
Authorised Share capital			
50,00,000 (50,00,000) (50,00,000) Equity Shares of ₹ 10/- each	500.00	500.00	500.00
Total Authorised Capital	500.00	500.00	500.00
Issued, Subscribed and Fully Paid Up Share Capital			
39,27,500 (39,27,500) (28,47,500) Equity Shares of ₹ 10/- each fully paid up	392.75	392.75	284.75
Total Share Capital	**392.75**	**392.75**	**284.75**

The details of shareholders holding more than 5% shares:

(₹ in lakhs)

Particulars	As at March 31,					
	2019		2018		2017	
	Shares	%	Shares	%	Shares	%
Bijal D. Desai	13,55,338	34.51	13,55,338	34.51	13,55,338	47.60
Dharmesh V. Desai	11,69,662	29.78	11,69,662	29.78	11,69,662	41.08
Devendra S. Naik	-	-	-	-	1,80,000	6.32

Details of Shares for Preceding Five Years

(₹ in lakhs)

Particulars	As at March				
	2019	2018	2017	2016	2015
Number Of Equity Shares Bought Back	-	-	-	-	-
Number Of Preference Shares Redeemed	-	-	-	-	-
Number of Equity Share Issue as Bonus Share	-	-	16,63,500	-	-
Number of Preference Share Issue as Bonus Share	-	-	-	-	-
Number of Equity Shares Allotted For Contracts Without Payment Received In Cash	-	-	-	-	-
Number of Preference Shares Allotted For Contracts Without Payment Received In Cash	-	-	-	-	-

Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year is set out below:

Particulars	As at March 31,		
	2,019	2,018	2,017
Number of Shares at the beginning	39,27,500	28,47,500	11,09,000
Add : Issue			
IPO Issue on 09.05.2017	-	10,80,000	-
Bonus Issue on 28.01.2017	-	-	16,63,500
Right Issue on 23.03.2017	-	-	75,000
Number of Shares at the end	**39,27,500**	**39,27,500**	**28,47,500**

Right, preferences and restrictions attached to shares

Every holder of an equity share as reflected in the records of the Company on the date of the shareholders meeting shall have one vote in respect of each share held for all matter submitted to vote in a shareholders meeting of the

company. Any dividend declared by the company shall be paid to each holder of Equity shares in proportion to the number of shares held to total equity shares outstanding as on that date. In the event of liquidation of the Company all preferential amounts if any shall be discharged by the Company. The remaining assets of the Company shall be distributed to the holders of equity shares in proportion of the number of shares held to the total equity shares outstanding as on that date.

Annexure VII
STATEMENT OF STANDALONE RESERVES AND SURPLUS

(₹ in lakhs)

Particulars	As at March 31,		
	2019	2018	2017
Profit and Loss Account			
Opening Balance	223.74	72.71	77.98
Add / (Less): Changes during the year			
Add: Profit After Tax	451.80	255.12	125.31
Less: Adjustment for Prior Period Expenses	-	-	0.05
Less: Provision for Gratuity	-	-	14.38
Less: Adjustment for DTA/DTL	-	-	0.14
Less: Adjustment For Depreciation	-	-	0.49
Less: Issues of Bonus Share	-	-	68.25
Less: Appropriation and Allocation			
Interim Dividend	-	39.28	-
Proposed Dividend	-	47.13	39.28
Equity Dividend Distribution Tax	-	17.68	7.99
Total (a)	**675.54**	**223.74**	**72.71**
Share Premium Account			
Opening Balance	303.30	22.50	98.10
Add: Additions	-	280.80	22.50
Less: Bonus Shares Issued	-	-	(98.10)
Total (b)	**303.30**	**303.30**	**22.50**
Total Reserves and Surplus (a+b)	**978.84**	**527.04**	**95.21**

Annexure VIII
STATEMENT OF STANDALONE LONG TERM BORROWINGS, AS RESTATED

(₹ in lakhs)

Particulars	As at March 31,		
	2019	2018	2017
Secured			
Term Loan	-	-	-
Vehicle Loans			
Volkswagen Finance Private Limited	-	17.77	-
Kotak Mahindra Prime Limited Car Loan	-	-	-
Total Long Term Borrowings	**-**	**17.77**	**-**

Nature of Security and Terms of Repayment:

(₹ in lakhs)

Loan Details	Rate of Interest	Tenure (Months)	Monthly Instalment	Security offered
Volkswagen Finance Private Limited	7.99	36	1.00	Audi Car
Kotak Mahindra Prime Limited	10.54	36	0.32	Ford Eco Sport Car

Annexure IX
STATEMENT OF STANDALONE DEFERED TAX LIABILITY/ ASSET, AS RESTATED

(₹ in lakhs)

Particulars	As at March 31,		
	2019	2018	2017
Deferred Tax Assets			
Employees Benefits	3.91	7.27	5.52
Expenditure Disallowances	3.28	4.37	-
Total Deferred Tax Assets (a)	**7.19**	**11.64**	**5.52**
Deferred Tax Liabilities			
Depreciation	22.38	9.67	9.21
Total Deferred Tax Liabilities (b)	**22.38**	**9.67**	**9.21**
Total of Deferred Tax (Liability) / Assets (a-b)	**(15.19)**	**1.97**	**(3.69)**

Annexure X
STATEMENT OF STANDALONE LONG TERM PROVISIONS AS RESTATED

(₹ in lakhs)

Particulars	As at March 31,		
	2019	2018	2017
Employee Benefits			
Provision for Gratuity	6.90	22.47	17.65
Total of Long Term Provisions	**6.90**	**22.47**	**17.65**

Annexure XI
STATEMENT OF TRADE PAYABLES, AS RESTATED

(₹ in lakhs)

Particulars	As at March 31,		
	2019	2018	2017
Creditors Due Small Micro Enterprises			
Trade Payables (Expenses)	2.97	3.80	-
Trade Payables (Goods)	90.98	60.66	-
Trade Payables (Labour)	3.88	2.07	-
Creditors Due Others			
Trade Payables (Expenses)	24.25	26.37	30.11
Trade Payables (Goods)	307.04	150.63	117.24
Trade Payables (Labour)	34.17	13.73	18.09
Trade Payables (Capital Goods)	5.96	5.85	4.47
Total of Trade Payables	**469.25**	**263.11**	**169.91**

Annexure XII
STATEMENT OF STANDALONE OTHER CURRENT LIABILITIES, AS RESTATED

(₹ in lakhs)

Particulars	As at March 31,		
	2019	2018	2017
Current maturities of long-term debt			
Kotak Mahindra Prime Limited	-	-	0.85
Volkswagen Finance Private Limited	-	10.17	-
Interest accrued but not due on borrowings			
Secured			
Interest Accrued But Not Due	-	0.12	0.01
Other payables			
Employee Related			
Accrued Salary Payable			
Bonus Payable	7.16	-	-
Wages and Salary Payable	18.93	13.83	10.54
Directors Remuneration Payable	3.11	3.11	2.75

Particulars	As at March 31,		
	2019	2018	2017
Tax Payable			
TDS			
TCS Payable	0.06	-	0.03
TDS Payable	4.45	2.21	2.38
Sales Tax			
CGST Payable	0.21	0.05	-
IGST Payable	17.88	-	-
SGST Payable	0.21	0.05	-
Other			
Professional Tax Payable	1.53	1.80	3.03
Other Accrued Expenses			
Audit Fees Payable	3.15	2.61	1.08
Courier Charges Payable	0.99	-	-
Director Sitting Fees Payable			0.45
ESIC Payable	0.74	0.52	0.48
Gardening Expenses Payable	0.26	-	-
Professional Fees Payable	0.48	0.43	-
Provident Fund Payable	2.00	1.67	1.54
Security Expenses Payable	-	0.35	-
Telephone Expenses Payable	0.03	0.07	0.01
Water Charges Payable	-	0.02	0.01
Travelling Expenses Payable	1.17	-	-
Other Current Liabilities			
Advance From Customers	64.27	67.58	104.15
Bijal D. Desai	-	-	1.00
Dharmesh V. Desai	-	-	1.00
India Infoline Ltd	-	-	0.53
Kotak Mahindra Bank Credit Card	1.82	0.40	-
Total of Current Liabilities	128.45	104.99	129.84

Annexure XIII
STATEMENT OF STANDALONE SHORT TERM PROVISIONS, AS RESTATED

(₹ in lakhs)

Particulars	As at March 31,		
	2019	2018	2017
Employee Benefits			
Provision for Gratuity	-	3.63	2.39
Dividend			
Proposed Equity Dividend	-	47.13	39.28
Dividend on Distribution Tax Equity Shares			
Proposed Dividend Distribution Tax	-	9.68	7.99
Current Tax Provision			
Provision For Tax	145.50	97.22	40.28
Total of Short Term Provisions	145.50	157.66	89.94

Annexure XIV
STATEMENT OF STANDALONE FIXED ASSETS, AS RESTATED

Tangible Assets

(₹ in lakhs)

Particulars	As at March 31,		
	2019	2018	2017
Tangible Assets			
Plant And Machinery			
Gross Block	169.10	117.55	114.13
Addition During The Year	174.88	51.55	3.42
Reductions During The Year	54.86	-	-
Adjusted To General Reserves	-	-	
Depreciation During The Year	9.95	7.13	5.33
Accumulated Depreciation	57.39	88.97	81.84
Net Asset Written Off	-	-	-
Net Depreciation Written Off	41.53	-	-
Closing Balance	**231.73**	**80.13**	**35.71**
Building (Factory & Other)			
Gross Block	184.32	152.22	149.31
Addition During The Year	5.45	32.10	2.91
Reductions During The Year	-	-	-
Adjusted To General Reserves	-	-	-
Depreciation During The Year	4.88	3.94	3.69
Accumulated Depreciation	65.92	61.04	57.10
Net Asset Written Off	-	-	-
Net Depreciation Written Off	-	-	-
Closing Balance	**123.85**	**123.28**	**95.12**
Office Equipment			
Gross Block	4.16	2.56	2.09
Addition During The Year	0.57	1.60	0.47
Reductions During The Year	-	-	-
Adjusted To General Reserves	-	-	-
Depreciation During The Year	0.30	0.21	0.15
Accumulated Depreciation	1.20	0.90	0.69
Net Asset Written Off	-	-	-
Net Depreciation Written Off	-	-	-
Closing Balance	**3.53**	**3.26**	**1.87**
Factory Equipments			
Gross Block	6.60	6.20	6.20
Addition During The Year	2.28	0.40	-
Reductions During The Year	-	-	-
Adjusted To General Reserves	-	-	-
Depreciation During The Year	0.50	0.39	0.39
Accumulated Depreciation	4.01	3.51	3.12
Net Asset Written Off	-	-	-
Net Depreciation Written Off	-	-	-
Closing Balance	**4.87**	**3.09**	**3.08**
Furniture And Fixtures			
Gross Block	27.56	16.62	15.20
Addition During The Year	13.41	10.94	1.42

Particulars	As at March 31,		
	2019	2018	2017
Reductions During The Year	-	-	-
Adjusted To General Reserves	-	-	-
Depreciation During The Year	2.58	1.43	2.33
Accumulated Depreciation	14.19	11.61	10.18
Net Asset Written Off	-	-	-
Net Depreciation Written Off	-	-	-
Closing Balance	**26.78**	**15.95**	**6.44**
Motor Vehicles			
Gross Block	102.27	74.70	74.70
Addition During The Year	-	39.66	-
Reductions During The Year	-	12.09	-
Adjusted To General Reserves	-	-	-
Depreciation During The Year	13.06	11.71	9.93
Accumulated Depreciation	61.33	48.27	41.57
Net Asset Written Off	-	-	-
Net Depreciation Written Off	-	5.01	-
Closing Balance	**40.94**	**54.00**	**33.13**
Assets Used In R & D			
Gross Block	7.35	7.22	1.62
Addition During The Year	22.65	0.13	5.60
Reductions During The Year	-	-	-
Adjusted To General Reserves	-	-	-
Depreciation During The Year	1.75	0.99	0.29
Accumulated Depreciation	3.05	1.30	0.31
Net Asset Written Off	-	-	-
Net Depreciation Written Off	-	-	-
Closing Balance	**26.95**	**6.05**	**6.91**
Computer			
Gross Block	18.69	16.23	15.07
Addition During The Year	1.59	2.46	1.16
Reductions During The Year	-	-	-
Adjusted To General Reserves	-	-	-
Depreciation During The Year	1.49	1.11	0.74
Accumulated Depreciation	16.61	15.12	14.01
Net Asset Written Off	-	-	-
Net Depreciation Written Off	-	-	-
Closing Balance	**3.67**	**3.57**	**2.22**
Gross Block Of Tangible Assets	**520.05**	**393.30**	**378.32**
Addition	**220.83**	**138.84**	**14.98**
Deletion	**54.86**	**12.09**	**-**
Total Depreciation For The Year	**34.51**	**26.91**	**22.85**
Total Accumulated Depreciation	**223.70**	**230.72**	**208.82**
Net Block Of Tangible Assets	**462.32**	**289.33**	**184.48**

Intangible Assets

(₹ in lakhs)

Particulars	As at March 31,		
	2019	2018	2017
SOFTWARES			
Gross Block of Intangible Assets	15.17	15.17	13.12
Addition during the year	2.28	-	2.05
Reductions during the year	-	-	-
Adjusted to General Reserves	-	-	-
Depreciation During the year	2.79	2.66	2.54
Accumulated Depreciation	10.97	8.18	5.52
Net Asset written off	-	-	-
Net Depreciation written off	-	-	-
Net Block of Intangible Assets	**6.48**	**6.99**	**9.65**

Annexure XV
STATEMENT OF STANDALONE OTHER NON-CURRENT INVESTMENTS, AS RESTATED

(₹ in lakhs)

Particulars	As at March 31,		
	2019	2018	2017
Investments In Equity Instruments			
Traded, Quoted			
Asian Paints Ltd	-	0.79	0.79
Capital First Ltd	-	0.99	0.99
Cyient Limited	-	0.49	0.49
Hero Motocorp Ltd	-	1.14	1.14
Lupin Ltd	-	1.18	1.18
Maruti Suzuki India Ltd	-	0.88	0.88
PTC India Financial Services Ltd	-	0.74	0.74
Tata Motors Ltd	-	0.50	0.50
TVS Srichakra Ltd	-	0.78	0.99
Larsen & Toubro Ltd	-	1.40	1.63
M M Forgings Ltd.	-	0.50	0.50
Infosys Ltd.	-	0.81	0.81
TV Today Network Ltd.	-	0.76	0.76
Castrol India Ltd.	-	0.59	0.59
GMM Pfaudler Ltd	-	-	0.50
ICICI Bank Ltd	-	-	2.52
Indusind Bank Ltd	-	-	1.31
Munjal Showa Ltd	-	-	0.50
NMDC Ltd	-	-	1.00
Oil India Ltd	-	-	0.50
Tata Chemicals Ltd	-	-	0.51
Power Finance Corporation Ltd	-	-	0.50
Reliance Industries Ltd	-	-	1.27
Reliance Infrastructure Ltd	-	-	1.26
State Bank Of India	-	-	1.79
Non - Traded, Unquoted	**-**	**-**	**-**
Investment In Associate			
1,000 (1,000) Wholly Own Subsidiary of USD 100 Each Fully Paid up in Meera Industries USA LLC	64.76	64.76	-
Total of Non Current Investment	**64.76**	**76.31**	**23.65**

Annexure XVI
STATEMNENT OF STANDALONE LONG TERM LOANS AND ADVANCES AS RESTAED

(₹ in lakhs)

Particulars	As at March 31,		
	2019	2018	2017
Capital Advances			
Chandrikaben Dhansukhlal Gandhi	102.01	-	-
Security Deposit			
Unsecured, considered good			
Deposit with Josh Petroleum	0.10	0.10	0.10
Deposit with DGVCL	2.79	1.19	1.19
Deposit with India Infoline	-	-	1.00
Rent Deposit with Bijal D. Desai	5.00	5.00	5.00
Telephone Deposit	0.03	0.03	0.03
Deposit with BSE	3.88	3.88	-
Total of Long Term Loan and Advances	**113.81**	**10.20**	**7.32**

Annexure XVII
STATEMENT OF STANDALONE CURRENT INVESTMENTS, AS RESTATED

(₹ in lakhs)

Particulars	As at March 31,		
	2019	2018	2017
Investments In Equity Instruments			
Trade, Quoted			
Shemaroo Entertainment Ltd	-	0.00	1.03
TV Today Network Ltd.	-	0.66	-
Castrol India Ltd.	-	0.43	-
Aditya Birla Capital Limited	-	0.22	-
CESC Limited	-	0.99	-
Power Grid Corporation Of India	-	1.67	-
Grasim Industries Limited	-	1.12	-
The Federal Bank Limited	-	1.01	-
Total Of Current Investment	**0.00**	**6.10**	**1.03**

Annexure XVIII
STATEMENT OF STANDALONE INVENTORIES, AS RESTATED

(₹ in lakhs)

Particulars	As at March 31,		
	2019	2018	2017
Raw Material			
Closing Stock of Yarn Division	14.92	24.81	-
Closing Stock of Machine Division	261.05	127.70	54.88
Finished Goods	-		-
Finished Goods of Machine Division	179.10	26.74	-
Semi Finished Goods of Machine Division	113.97	48.61	62.77
Closing Stock of R & D	17.61	10.10	5.46
Total of Inventories	**586.65**	**237.96**	**123.11**

Annexure XIX
STATEMENT OF STANDALONE TRADE RECEIVABLES, AS RESTATED

(₹ in lakhs)

Particulars	As at March 31,		
	2019	2018	2017
Unsecured Considered Goods			
Within Six Months			
Unsecured, considered good			

Particulars	As at March 31,		
	2019	2018	2017
Promoters/PG/Subsidiary	0.17	43.09	-
Others	310.31	303.00	93.25
Unsecured, considered doubtful	-	-	-
Less : Provision for doubtful debts	-	-	-
Exceeding Six Months			
Unsecured, considered good			
Promoters/PG/Subsidiary	-	-	-
Others	21.13	16.96	6.20
Unsecured, considered doubtful	-	-	-
Less : Provision for doubtful debts	-	-	-
Total of Trade Receivables	**331.61**	**363.05**	**99.45**

Annexure XX
STATEMENT OF STANDALONE CASH AND CASH EQIUVALENTS, AS RESTATED

(₹ in lakhs)

Particulars	As at March 31,		
	2019	2018	2017
Cash in Hand	4.47	1.85	3.70
Current Bank Accounts	141.60	122.78	46.68
Dollar Account	107.40	11.46	55.34
Deposit with Banks	56.64	174.51	115.72
Total of Cash and Cash Equivalents	**310.11**	**310.60**	**221.44**

Annexure XXI
STATEMENT OF STANDALONE SHORT TERM LOANS AND ADVANCES, AS RESTATED

(₹ in lakhs)

Particulars	As at March 31,		
	2019	2018	2017
Unsecured, Considered Goods			
Advance to Suppliers	23.13	17.72	17.47
Staff Advances	0.88	0.98	0.57
Advance Tax and TDS Receivables	160.98	73.94	37.79
Income Tax Refund	1.12	2.81	-
SGST Receivable	-	57.02	-
Kotak Mahindra Bank Ltd	-	0.26	0.17
Volkswagen Finance Pvt. Ltd.	0.24	0.09	-
Prepaid Expenses	35.54	12.71	1.60
IGST Refundable (Export)	29.99	-	-
India Infoline Limited	0.03	0.02	-
Total of Short Term Loan and Advances	**251.91**	**165.55**	**57.60**

Annexure XXII
STATEMENT OF STANDALONE OTHER CURRENT ASSETS, AS RESTATED

(₹ in lakhs)

Particulars	As at March 31,		
	2019	2018	2017
Duty Drawback Income Receivable	4.90	2.56	-
Interest Receivable on Deposits	0.07	0.61	0.88
VAT Credit Receivable	3.01	3.01	38.16
VAT / CST Paid Under Protest	1.25	0.75	1.75
Excise Duty	-	-	17.92
Import Duty	-	-	0.72
Service Tax	-	-	3.83

Particulars	As at March 31,		
	2019	2018	2017
Total of Other Current Assets	**9.23**	**6.93**	**63.26**

Annexure XXIII
STATEMENT OF STANDALONE REVENUE FROM OPERATIONS, AS RESTATED

(₹ in lakhs)

Particulars	As at March 31,		
	2019	2018	2017
Revenue from Operations			
Sale of products	3,446.44	2,109.71	1,312.27
Sale of services	1.32	2.25	3.18
Total of Revenue From Operation	**3,447.76**	**2,111.96**	**1,315.45**

Details of Sales :			
a. Sale of Textiles Machineries	2491.57	1,520.44	1,312.27
b. Sale of Yarn	954.87	589.27	-
c. Labour income of Textiles Machineries	1.32	2.25	3.18

Annexure XXIV
STATEMENT OF STANDALONE OTHER INCOME, AS RESTATED

(₹ in lakhs)

Particulars	As at March 31,			Recurring / Non Recurring Income[(1)]
	2019	2018	2017	
Interest Income	6.29	10.90	7.93	Recurring and related to business activity
Dividend Income	0.32	0.40	0.38	Non Recurring and not related to business activity
Duty Drawback Income	20.63	11.00	15.06	Recurring and related to business activity
Discount Received	12.43	8.51	-	Recurring and related to business activity
Profit on Sale of Investment	2.68	5.83	0.19	Non Recurring and not related to business activity
Profit on Sale of Fixed Assets	12.78	0.42	-	Non Recurring and related to business activity
Foreign Exchange Difference (Net)	22.85	6.14	8.36	Recurring and related to business activity
Net Exchange Gain / Loss on Tangible Assets	2.02	0.32	-	Non Recurring and related to business activity
Misc. Income	-	-	0.10	Non Recurring and not related to business activity
Late Payment Charges Received	3.31	1.15	-	Non Recurring and related to business activity
Export Incentive Focus Marketing Scheme	-	-	1.55	Non Recurring and related to business activity
Total of Other Income	**83.31**	**44.67**	**33.57**	
Net Profit Before Tax as Restated	614.46	346.68	160.57	
Percentage	**13.56**	**12.89**	**20.91**	

(1) The classification of other income as recurring / non-recurring and related / not related to business activity is based on the current operations and business activity of the Company as determined by the management.

Annexure XXV

STATEMENT OF STANDALONE RELATED PARTY TRANSACTIONS, AS RESTATED

(₹ in lakhs)

Particulars	Nature of Relationship	Nature of Transaction	Amount of Transaction During the Period Ended March 31,			Amount outstanding as on March 31, (Payable) / Receivable		
			2019	2018	2017	2019	2018	2017
Meera Industries USA LLC	Wholly Owned Subsidiary	Equity Instrument	-	64.76	-	64.76	64.76	-
Meera Industries USA LLC	Wholly Owned Subsidiary	Export sales	124.18	101.69	-	0.17	43.09	44.16
Dharmesh V. Desai	Managing Director	Managerial Remuneration	30.00	30.00	23.70	(1.98)	(1.98)	(1.75)
Bijal D. Desai	Whole Time Director	Managerial Remuneration	21.00	21.00	18.75	(1.13)	(1.13)	(0.99)
Bijal D. Desai	Whole Time Director	Rent (Factory Land)	20.16	19.20	10.80	(1.51)	(1.44)	(0.93)
Vinod S. Ojha	CFO	Managerial Remuneration	7.75	5.79	2.55	0.43	0.49	0.32
Bhavisha K. Khakhkhar[(1)]	Company Secretary	Managerial Remuneration	5.38	-	-	0.43	-	-
Parvez Shaikh[(1)]	Company Secretary	Managerial Remuneration	-	5.66	-	-	0.45	-
Dharmesh V. Desai	Managing Director	Short Term Deposits Received	-	1.00	1.00	-	-	(1.00)
Bijal D. Desai	Whole Time Director	Short Term Deposits Received	-	1.00	1.00	-	-	(1.00)
Dharmesh V. Desai	Managing Director	Short Term Deposits Repaid	-	2.00	-	-	-	-
Bijal D. Desai	Whole Time Director	Short Term Deposits Repaid	-	2.00	-	-	-	-
Bijal D. Desai	Whole Time Director	Rent Deposit	-	-	5.00	5.00	5.00	5.00

[(1)] Mr. Pravez Ayaz Shaikh, Company Secretary of the company has resigned with effect from 03/04/2018 and his place Company has appointed Ms. Bhavisha K. Khakhkhar as Company Secretary with effect from 25/04/2018.

Disclosures as required by Regulation 34(3) read with para A of Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

The company has wholly owned subsidiary outside India during the reporting period and hence the disclosure requirements as per Regulation 53(f) SEBI (LODR) Regulations, 2015 has given in the notes on accounts. The company has not granted any loans to its subsidiary during the reporting period.

Note: No loans have been granted by the Company to any person for the purpose of investing in the shares of Meera Industries Limited.

Annexure XXVI
STATEMENT OF STANDALONE CONTINGENT LIABILITIES, AS RESTATED

(₹ in lakhs)

Particulars	For the year ended March 31,		
	2019	2018	2017
Amount Payable in "C" Forms under GVAT / CST pending for Collection are not received till date of assessment	-	-	10.72
Sales Tax Matter Disputed in Appeal	-	-	0.97
Sales Tax Assessment for Sales Tax A.Y. 2006-2007 pending before Gujarat Commercial Tax Tribunal, Ahmedabad	13.02	13.02	-
Total Contingent Liabilities	**13.02**	**13.02**	**11.69**

Annexure XXVII
SCHEDULE OF STANDALONE DIVIDEND DECLARED, AS RESTATED

(₹ in lakhs)

Particulars	For the year ended March 31,		
	2019	2018	2017
Issued Number of Shares	39.275	39.275	28.475
Face Value Per Share	10.00	10.00	10.00
Interim Dividend			
Rate of Dividend (%)	-	10%	-
Amount of Dividend per Share	-	1.00	-
Interim Dividend Amount (a)	-	39.28	-
Final Dividend			
Rate of Dividend (%)	-	12%	10%[(1)]
Amount of Dividend per Share	-	1.20	1.00
Final Dividend Amount (b)	-	47.13	39.28[(1)]
Total amount of Dividend (a+b)	**-**	**86.41**	**39.28**
Total Dividend Tax	**-**	**17.68**	**7.99**

[(1)] *Final Dividend of March 31, 2017 was declared on 11/08/2017 and Total Number of Shareholder considered on Book Closure / Record Date 14/08/2017 hence the number of shares was considered i.e. 39.275 Lakhs Shareholders.*

Annexure XXVIII
STATEMENT OF STANDALONE TAX SHELTER, AS RESTATED

(₹ in lakhs)

Particulars	For the year ended March 31,		
	2019	2018	2017
Tax Rates			
Normal Income Tax Rate (%)	27.82%	27.55%	33.06%
Special Income Tax Rate (%)	16.69%	16.53%	16.53%
Minimum Alternate Tax Rate (%)	20.39%	20.39%	20.39%
Restated Income before tax as per books (A)	**614.46**	**346.68**	**160.57**
Incomes considered separately			
Interest Income	6.29	10.90	7.93
Dividend Income	0.32	0.40	0.38
Profit on Sale of Investments	2.68	5.83	0.19
Total Incomes considered separately (B)	**9.29**	**17.13**	**8.50**
Restated Profit other than income considered separately (C)=(A-B)	**605.17**	**329.55**	**152.07**
Tax Adjustment			
Permanent Differences			

Particulars	For the year ended March 31,		
	2019	2018	2017
Interest on Income Tax	2.61	0.73	-
Interest on TDS	0.01	0.04	0.04
Income Tax Paid	0.01	-	0.04
Demat, STT & Other Charges and PMS Charges	0.04	0.47	0.66
Disallowance U/S. 14A	0.17	0.36	0.24
Disallowance U/S. 36	1.25	0.01	0.42
Allowed U/S. 35(1)(2AB) in Excess of Amount Debited to P & L A/c.	(59.19)	(21.11)	(48.04)
Foreign Exchange on Tangible Fixed Asset	(2.02)	(0.32)	-
Profit on Sale of Tangible Assets	(12.78)	(0.42)	-
Bank Charges	-	0.20	-
Share Issue Expenses	-	9.70	-
Penalty Under Service tax	-	0.24	-
Late Payment Charges	0.01	0.04	-
Corporate Social Responsibility	5.00	-	-
Donation	0.05	1.61	4.64
Total Permanent Differences (D)	**(64.84)**	**(8.45)**	**(42.00)**
Timing Differences			
Depreciation as per Income Tax	(45.72)	(30.36)	(25.50)
Depreciation as per Books	37.30	29.57	25.39
Share Issue Expenses	-	19.64	-
Share Issue Expenses Allowable 1/5 U/S. 35D	(3.93)	(3.93)	-
Gratuity Provision	(19.20)	6.06	5.66
Bonus Payable	7.16	-	-
Total Timing Differences (E)	**(24.39)**	**20.98**	**5.55**
Income From Business or Profession (F)=(C+D+E)	**515.94**	**342.08**	**115.62**
Income From Capital Gain			
Long Term Capital Gain on STT Paid	1.40	4.78	-
Less Exemption U/s. 10(38)	(1.40)	(4.78)	-
Short Term Capital Gain on Without STT Paid	-	0.16	-
Short Term Capital Gain on STT Paid	1.28	0.89	0.19
Taxable income from Capital Gain (G)	**1.28**	**1.05**	**0.19**
Income From Other Sources			
Dividend Income	0.32	0.40	0.38
Less Exemption U/S. 10(34)	(0.32)	(0.40)	(0.38)
Interest Income	6.29	10.90	7.93
Taxable income from Other Source (H)	**6.29**	**10.90**	**7.93**
Less Deduction Under Capter - VIA			
80G Donation (Others)	**-**	**0.81**	1.81
Total Deduction as per Income Tax Act. (I)	**-**	**0.81**	**1.81**
Total Taxable income (F+G+H-I)	**523.51**	**353.22**	**121.93**
Total Taxable Income @ Normal Tax Rate	**522.23**	**352.33**	**121.74**
Tax @ Normal Tax Rate	**145.28**	**97.08**	**40.25**
Total Taxable Income @ Special Tax Rate	**1.28**	**0.89**	**0.19**
Tax @ Special Tax Rate	**0.21**	**0.15**	**0.03**
Net Taxable Income	**523.51**	**353.22**	**121.93**

Particulars	For the year ended March 31,		
	2019	2018	2017
Tax on Total Income	**145.50**	**97.22**	**40.28**
MAT on Book Profit	**125.28**	**70.68**	**32.74**
Tax paid as per normal or MAT	Normal	Normal	Normal
Total Tax as per Return	**145.50**	**98.11**	**40.51**

Annexure XXIX
STATEMENT OF STANDALONE PRIMARY BUSINESS SEGMENT, AS RESTATED

(₹ in lakhs)

Particulars	Year Ended March 31, 2019				Year Ended March 31, 2018			
	Machine Mfg.	Yarn	Eliminations	Total	Machine Mfg.	Yarn	Eliminations	Total
Revenue								
External Sales	2,492.89	954.87	-	3,447.76	1,522.69	589.27	-	2,111.96
Inter-Segment Sale	-	-	-	-	-	3.04	-3.04	-
Total Revenue	2,492.89	954.87	-	3,447.76	1,522.69	592.31	-3.04	2,111.96
Result								
Segment Result	569.70	42.93	-	612.63	303.59	34.07	-	337.66
Unallocated Corporate Exp.	-	-	-	-	-	-	-	-
Operating Profit	-	-	-	612.63	-	-	-	337.66
Interest Expenses	-	-	-	-4.46	-	-	-	-1.88
Interest Income	-	-	-	6.29	-	-	-	10.90
Income Tax	-	-	-	-145.50	-	-	-	-97.22
Deferred Tax	-	-	-	-17.16	-	-	-	5.66
Profit From Ordinary Activities	-	-	-	451.80	-	-	-	255.12
Extraordinary Items	-	-	-	-	-	-	-	-
Net Profit	-	-	-	451.80	-	-	-	255.12
Other Information								
Segmental Assets	1,543.44	263.69	-	1,807.13	1,010.55	282.80	-	1293.35
Common Assets	-	-	-	329.75	-	-	-	192.44
Enterprise Assets	-	-	-	2,136.88	-	-	-	1485.79
Segmental Liabilities	500.19	97.51	-	597.70	483.58	82.42	-	566.00
Common Liabilities	-	-	-	167.59	-	-	-	-
Enterprise Liabilities	-	-	-	765.29	-	-	-	566.00
Capital Expenditure During The Year	199.85	12.48	-	212.33	92.91	56.71	-	149.62
Common Capital Expenditure	-	-	-	-	-	-	-	-
Total Capital Expenditure During The Year	-	-	-	212.33	-	-	-	149.62
Depreciation During The Year	34.84	2.46	-	37.30	28.96	0.61	-	29.57
Depreciation On Common Assets Used	-	-	-	-	-	-	-	-
Total Depreciation During The Year	-	-	-	37.30	-	-	-	29.57

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.

OTHER FINANCIAL INFORMATION

STATEMENT OF STANDALONE ACCOUNTING RATIOS

(₹ in Lakhs)

Particulars	For the year ended March 31,		
	2019	2018	2017
Restated PAT as per P & L Account	451.80	255.12	125.31
Actual Number of Equity Shares outstanding at the end of the year	39,27,500	39,27,500	28,47,500
Equivalent Weighted Avg number of Equity Shares at the end of the year	39,27,500	38,15,062	27,74,350
Share Capital	392.75	392.75	284.75
Reserves & Surplus	978.84	527.04	95.21
Misc. Expenses not w/off	-	-	-
Net Worth	1,371.59	919.79	379.96
Earnings Per Share:			
Basic			
Basic & Diluted	11.50	6.69	4.52
Return on Net Worth (%)	32.94%	27.74%	32.98%
Net Asset Value Per Share (Rs) - based on actual no. of equity shares at the end of the year	34.92	23.42	13.34
Nominal Value per Equity share (₹)	10.00	10.00	10.00

Notes to Accounting Ratios:

1) The above statement should be read with the Significant accounting policies and notes to accounts appearing in Annexure IV & V respectively.
2) The Ratios have been computed as follows:
   a) Basic EPS (₹) = $\frac{\text{Net profit / (loss) as restated , attributable to Equity Shareholders}}{\text{Weighted average number of Equity Shares outstanding during the year /period}}$

   b) Return on Net worth (%) = $\frac{\text{Net profit /loss after tax,as restated}}{\text{Net worth excluding preference share capital and revaluation reserve}}$

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

3) Weighted average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the period adjusted by the number of Equity Shares issued during period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period.
4) 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.
5) As there is no dilutive capital in the company, Basic and Diluted EPS are similar.
6) The above Ratios have been computed on the basis of the Restated Financial Information for the respective period. The above statements should be read with the Notes to Restated Financial Statements.

CAPITALISATION STATEMENT

STATEMENT OF STANDALONE CAPITALISATION, AS RESTATED

(₹ in lakhs)

Particulars	Pre Issue (as at March 31, 2019)	Post Issue
Borrowings		
Short term debt (A)	-	-
Long Term Debt (B)	-	-
Total debts (C=A+B)	-	-
Shareholders' funds		
Equity share capital (D)	392.75	444.95
Reserve and surplus - as restated (E)	978.84	2,101.14
Total shareholders' funds (F=D+E)	**1,371.59**	**2,546.09**
Long term debt / shareholders funds	-	-
Total debt / shareholders funds	-	-

Note:

The above has been computed on the basis of Restated Financials of the Company.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULT OPERATION

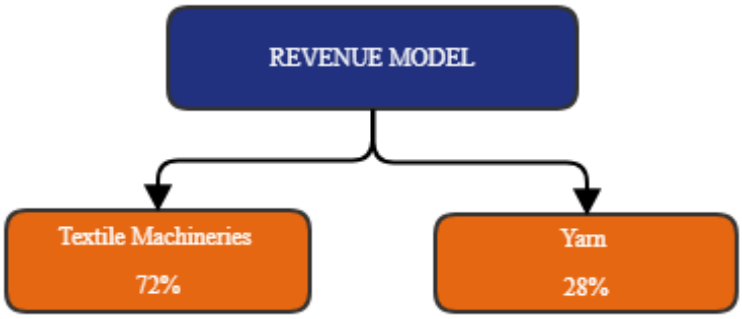
You should read the following discussion and analysis of financial condition and results of operations together with our financial statements included in this Prospectus. The following discussion relates to our Company and is based on our restated financial statements. Our financial statements have been prepared in accordance with Indian GAAP, the accounting standards and other applicable provisions of the Companies Act.

Note: Statement in the Management Discussion and Analysis Report describing our objectives, outlook, estimates, expectations or prediction may be "Forward looking statement" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to our operations include, among others, economic conditions affecting demand/supply and price conditions in domestic and overseas market in which we operate, changes in Government Regulations, Tax Laws and other Statutes and incidental factors.

BUSINESS OVERVIEW

Our Company is a growing textile machine manufacturer dealing in twisting, cabling, winding and heat setting machines. We design, develop and sell high-performance machines to various processing and manufacturing units in the textile industry. The huge repository of knowledge and technology base that our Company has developed since inception is a strong base to outperform the competition and be abreast in the market. This supports our Company to constantly upgrade the technologies to meet present and futuristic requirements of our customers. We ensure the quality of our products through rigorous testing including testing of sub system before integration and followed by testing of the entire system when assembled. We provide a combination of designing, manufacturing, testing facilities and after sales support that provides customer delight to the equipment offered by us.

Our Company has started its own yarn twisting division in Fiscal 2017-18, which includes processing and selling of yarn. Yarn Twisting includes uniting two or more doubled yarn ends to hold the constituent fibres together, thus giving enough strength to the yarn, and also producing a continuous length of yarn. The revenue model of our Company as on March 31, 2019 based on the two segments is as follows:



We cater to the domestic market having a PAN India customer base for our textile machinery products as well as our yarn twisting division. We have also developed an extensive export market for our textile machinery products covering continents like America, South America, Africa, Europe and Asia and include major countries like Germany, Spain, Turkey, Thailand, Belgium, Italy, Kenya, Nigeria, South Africa, Peru, Bolivia and USA to name a few. With a view to expand our markets in the western countries, we incorporated Meera Industries USA LLC as our wholly owned subsidiary. Our subsidiary, situated in the State of Northern Carolina began its operations in 2017 and caters to our growing base of customers in the USA, Canada and various South American countries like Mexico, Ecuador, Peru, etc.

COMPETITION

Textile Machinery being a global industry, we face competition from various domestic and international manufacturers and traders. Competition emerges from small as well as big players in the textile machinery industry. The organized players in the industry compete with each other by providing high quality, consistent and time bound products and value added services. We have a number of competitors offering products similar to us. We believe the

principal elements of competition in our line of business are technology, innovation, consistent and quality products, prompt availability and strong relations with our customers.

We face significant competition from international manufacturers and traders, especially China. We compete with them by providing high quality products with lower rejection ratio and spot delivery. We further compete with various domestic and international competitors by establishing ourselves as a knowledge and innovation based company with manufacturing capabilities of a varied textile processing machineries through our manufacturing unit in the States of Gujarat and also having a dedicated marketing arm under our wholly owned subsidiary, which enables us to provide our clients with desired quality products at reasonable rates to meet their requirements.

Significant Developments after March 31, 2019 that may affect our Future Results of Operations

The Directors confirm that there have been no events or circumstances since the date of the last financial statements as disclosed in the 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 OPERATION

Our business is subject to various risks and uncertainties, including those discussed in the section titled "*Risk Factors*" on page no. 17 of this Prospectus.

Among various other factors that affect our financial results and operations for a given financial year, some key factors are as follows:

Revenue Generation

We earn our revenue from manufacturing and dealing in textile machinery and also yarn twisting, offering a wide variety of machines including twisting, winding and heat setting. Our sales are to various customers PAN India and also we export our products to a large customer base across 5 major continents. We are an ISO 9001: 2015 certified company in relation to Designing Manufacturing & Supply of Yarn Twisting & Winding Machines and our manufacturing unit is well equipped with modern quality checking and testing equipment's for quality assurance.

With our expanding business scope, we have, over these years established strong customer base and an unyielding marketing setup. We have an efficient sales & marketing team at our registered office and also at our wholly owned subsidiary in North Carolina, USA and we believe that the ability of our marketing team to generate continuous revenues is integral to our growth and success. We target our marketing activities more towards multi-national corporates and futuristic organisations for our industrial products as we believe that our quality and pricing is better appreciated by them.

High Inventory & Trade Receivables

Trade Receivables and Inventories form a substantial part of our current assets and net worth. Failure to manage our trade receivables is one of the key factors affecting our financial results and liquidity situation. Our business is working capital intensive and hence, trade receivables and inventories form substantial part of our current assets and net worth. Our, trade receivables and inventories as on March 31, 2019, were ₹ 331.61 lakhs and ₹ 586.65 lakhs respectively. The results of operations of our business are dependent on our ability to effectively manage our inventory (raw material and finished goods) and trade receivables.

We generally procure raw materials on the basis of management estimates based on past requirements and future estimates. To effectively manage our inventory, we must be able to accurately estimate customer demand and supply requirements and purchase new inventory accordingly. However, if our management misjudges expected customer demand, it could cause either a shortage of products or an accumulation of excess inventory. Further, if we fail to sell the finished inventory we manufacture, we may be required to write-down our inventory or pay our suppliers without new purchases, or create additional vendor financing, all of which could have an adverse impact on our income and cash flows.

To effectively manage our trade receivables, we must be able to accurately evaluate the credit worthiness of our customers and ensure that suitable terms and conditions are given to them in order to ensure our continued

relationship with them. However, if our management fails to accurately evaluate the credit worthiness of our customers, it may lead to bad debts, delays in recoveries and / or write-offs which could lead to a liquidity crunch, thereby adversely affecting our business and results of operations. A liquidity crunch may also result in increased working capital borrowings and, consequently, higher finance cost which will adversely impact our profitability.

Our ability to successfully implement its strategy and its growth and expansion plans

Our revenue and our business operations have grown in recent years. Although we plan to continue to expand our scale of operations, we may not be able to sustain these rates of growth in future periods due to a number of factors, including, among others, our execution capability, our ability to retain, maintain & generate new customers, our ability to maintain customer satisfaction, our ability to mobilise sufficient working capital, macroeconomic factors beyond our control such as decline in global economic conditions, availability of cheaper products, rapid change in technology, competition within each product category from players in the organized and unorganized segments, our inability to control our expenses and the availability of resources for our growth. There can be no assurance that we will not suffer from capital constraints, operational difficulties or difficulties in expanding existing business operations.

Our development and expansion strategies will require substantial managerial efforts and skills and the incurrence of additional expenditures and may subject us to new or increased risks. We may not be able to efficiently or effectively implement our growth strategies or manage the growth of our operations, and any failure to do so may limit future growth and have an adverse effect on our business. For e.g. we have been periodically increasing our production capacity and expanding our plant and machinery. Over the last 3 years, we have successfully completed various expansion projects. We also intend to undertake another expansion from the funds raised through this Issue and may continue to do so in the future. Our strategy to expand our capacity, customer base and thus our profit margins may not materialise in the manner we intend to, resulting in lower margins. Continued lower margins may affect our future growth and financial performance.

Further, if the estimates or assumptions for various geographical regions used in developing our strategic plan vary significantly from actual conditions, our sales, margins and profitability could be impacted. For instance, textile technology may differ from country to country thus affecting sales of our machines and all categories of products offered by us may not be accepted on a larger scale and we may be incorrect in our assumptions and expectations of consumer preferences during expansion stages. Also, the fund requirement and deployment for our strategies are based purely on management estimates and assumptions considering the current market scenario and are subject to revision in the light of changes in external circumstances or costs. If we are unsuccessful in executing our strategic plan, or if the underlying estimates or assumptions used to develop our strategic plan are materially inaccurate, our business and financial condition would have an adverse impact.

Changes in laws and regulation that apply to the industry

Our Company is subject to various regulations and policies. For details see section titled "*Key Industry Regulations and Policies*" beginning on page no. 101 of this Prospectus. Our business and prospects could be materially adversely affected by changes in any of these regulations and policies, including the introduction of new laws, policies or regulations or changes in the interpretation or application of existing laws, policies and regulations. There can be no assurance that our Company will succeed in obtaining all requisite regulatory approvals in the future for our operations or that compliance issues will not be raised in respect of our operations, either of which could have a material adverse affect on our business, financial condition and results of operations.

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including civil disturbances, extremities of weather, regional conflicts and other political instability, terrorist attacks and other acts of violence or war involving India, 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.

RESULTS OF OUR STANDALONE OPERATIONS

(₹ in lakhs)

Particulars	For the year ended March 31,					
	2019	% of Total Income	2018	% of Total Income	2017	% of Total Income
INCOME:						
Revenue from Operations(Net)	3,447.76	97.64%	2,111.96	97.93%	1,315.45	97.51%
Other Income	83.31	2.36%	44.67	2.07%	33.57	2.49%
Total income	3,531.07	100.00%	2,156.63	100.00%	1,349.02	100.00%
EXPENSES:						
Cost of Material Consumed	2,273.23	64.38%	1,262.73	58.55%	774.78	57.43%
Purchases of Stock-in-Trade		0.00%		0.00%		0.00%
Changes in Inventory of Finished Goods Work-in-Progress and Stock-in-Trade	(217.72)	-6.17%	(12.58)	-0.58%	(47.20)	-3.50%
Employee benefit expenses	298.83	8.46%	209.57	9.72%	145.55	10.79%
Finance costs	7.86	0.22%	4.32	0.20%	3.16	0.23%
Depreciation	37.30	1.06%	29.57	1.37%	25.39	1.88%
Other Expenses	517.11	14.64%	316.34	14.67%	286.77	21.26%
Total expenses	2,916.61	82.60%	1,809.95	83.92%	1,188.45	88.10%
Exceptional and prior period items	-	-	-	-	-	-
Net Profit / (Loss) before Tax	614.46	17.40%	**346.68**	16.08%	**160.57**	11.90%
Less: Tax expense						
(a) Current Tax	145.50	4.12%	97.22	4.51%	40.28	2.99%
(b) Deferred Tax	17.16	0.49%	(5.66)	-0.26%	(5.02)	-0.37%
(c) MAT Credit entitlement	-	-	-	-	-	-
Total	162.66	4.61%	**91.56**	**4.25%**	**35.26**	2.61%
Net Profit/(Loss) after tax	451.80	12.79%	**255.12**	11.83%	**125.31**	9.29%

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 operation as a percentage of total income were 97.64%, 97.93% and 97.51% respectively, for the fiscals 2019, 2018 and 2017. Our revenue from operations consists of revenue from manufacturing and selling of textile machinery.

Other Income

Our other income comprises of interest income, duty drawbacks, discounts and other miscellaneous incomes. Other income, as a percentage of total income was 2.36%, 2.07% and 2.49%, respectively, for the fiscals 2019, 2018 and 2017.

Expenditure

Our total expenditure primarily consists of purchases, changes in inventories, employee benefit expenses, finance costs, depreciation and other expenses.

Purchases

Purchase is primarily in relation to purchases of various raw materials we required for our machinery and yarn divisions.

Employee Benefit Expenses

Expenses in relation to employees' remuneration and benefits include gratuity, salaries, directors' remuneration, wages and staff welfare expenses etc.

Finance costs

Finance cost primarily consists of interest payable on loans availed by our company from banks, bank charges, Interest on vehicle loan and other interest charges etc.

Depreciation Expenses

Depreciation expenses consist of depreciation on the tangible and intangible assets of our Company which primarily includes plant & machinery, computer, furniture and fixtures, building, vehicles, furniture & fixtures, computers etc.

Other Expenses

Other expenses primarily include electricity expense, transportation expenses, advertising and promotional expenses, research & development expenses, repairs and maintenance etc.

Provision for Tax

The provision for current taxation is computed in accordance with relevant tax regulation. Deferred tax is recognized on timing differences between the accounting and the taxable income for the year and quantified using the tax rates and laws enacted or subsequently enacted as on balance sheet date. Deferred tax assets are recognized and carried forward to the extent that there is a virtual certainly that sufficient future taxable income will be available against which such deferred tax assets can be realized in future.

Fiscal 2019 compared with Fiscal 2018

Revenue from Operation

Revenue from operations had increased by 63.25%, from ₹ 2,111.96 lakhs in Fiscal 2018 to ₹ 3,447.76 lakhs in Fiscal 2019. This increase in sales is mainly due to increase in the Company's scale of operations primarily attributable to increased sales of textile machineries and sale of yarn.

Other Income

Other income had increased by 86.50%, from ₹ 44.67 lakhs in Fiscal 2018 to ₹ 83.31 lakhs in Fiscal 2019 on account of increase of duty drawbacks, profit on sale of fixed assets etc.

Cost of Materials Consumed

Cost of Materials Consumed had increased by 80.03%, from ₹ 1,262.73 lakhs in Fiscal 2018 to ₹ 2,273.23 lakhs in Fiscal 2019. This increase in purchases is in line with the increase in the Company's scale of operations.

Changes in inventories

Changes in Inventories had a variance by 205.14% from negative ₹ 12.58 lakhs in Fiscal 2018 to negative ₹ 217.72 lakhs in Fiscal 2019.

Employee Benefit Expenses

Employee benefit expenses had increased by 42.59%, from ₹ 209.57 lakhs in Fiscal 2018 to ₹ 298.83 lakhs in Fiscal 2019 on account of annual increase in staff salary, bonus and other welfare & workers expenses.

Finance Cost

Finance Cost had increased by 81.94% from ₹ 4.32 lakhs in Fiscal 2018 to ₹ 7.86 lakhs in Fiscal 2019. This is primarily on account of pre-payment of car loan including additional pre-payment amount paid in the fiscal 2019.

Depreciation and Amortization Expenses

Depreciation had increased by 26.14%, from ₹ 29.57 lakhs in Fiscal 2018 to ₹ 37.30 lakhs in Fiscal 2019 on account of net increase in plant and machinery and other gross block of assets.

Other Expenses

Other expenses had increased by 63.47% from ₹ 316.34 lakhs in Fiscal 2018 to ₹ 517.11 lakhs in Fiscal 2019. The increase in these expenses was majorly due to increase in freight inward expenses, job work charges, repair and maintenance expenses etc.

Tax Expenses

The Company's tax expenses had increased by 49.66% from ₹ 97.22 lakhs in the Fiscal 2018 to ₹ 145.50 lakhs in Fiscal 2019. This is primarily due to an increase in profit before tax as compare to last year.

Profit after Tax

After accounting for taxes at applicable rates, our profit after tax had increased by 77.09%, from ₹ 255.12 lakhs in Fiscal 2018 to ₹ 451.80 lakhs in Fiscal 2019 as a result of reasons stated above.

Fiscal 2018 compared with Fiscal 2017

Revenue from Operation

Revenue from operations had increased by 60.55%, from ₹ 1,315.45 lakhs in Fiscal 2017 to ₹ 2,111.96 lakhs in Fiscal 2018. This increase in sales is mainly due to increase in the Company's scale of operations primarily attributable to increased sales of textile machineries and in the same year company started sale of yarn.

Other Income

Other income had increased by 33.07%, from ₹ 33.57 lakhs in Fiscal 2017 to ₹ 44.67 lakhs in Fiscal 2018 on account of increase of discounts received, profit on sale of investments etc.

Cost of Materials Consumed

Cost of Materials Consumed had increased by 62.98%, from ₹ 774.78 lakhs in Fiscal 2017 to ₹ 1,262.73 lakhs in Fiscal 2018. This increase in purchases is in line with the increase in the Company's scale of operations.

Changes in Inventories

Changes in Inventories had a variance by 73.35% from negative ₹ 47.20 lakhs in Fiscal 2017 to negative ₹ 12.58 lakhs in Fiscal 2018.

Employee Benefit Expenses

Employee benefit expenses had increased by 43.98%, from ₹ 145.55 lakhs in Fiscal 2017 to ₹ 209.57 lakhs in Fiscal 2018 on account of annual increase in staff salary, bonus and other welfare & workers expenses.

Finance Cost

Finance Cost had increased by 36.71% from ₹ 3.16 lakhs in Fiscal 2017 to ₹ 4.32 lakhs in Fiscal 2018. This is primarily on account of payment of increase on car loan and other bank charges.

Depreciation and Amortization Expenses

Depreciation had increased by 16.46%, from ₹ 25.39 lakhs in Fiscal 2017 to ₹ 29.57 lakhs in Fiscal 2018 on account of increase in plant and machinery and other minor gross block of assets.

Other Expenses

Other expenses had increased by 10.31% from ₹ 286.77 lakhs in Fiscal 2017 to ₹ 316.34 lakhs in Fiscal 2018. The increase in these expenses was majorly due to increase in factory lease rental, travelling expenses, freight inward expenses, job work charges, repair and maintenance expenses etc.

Tax Expenses

The Company's tax expenses had increased by 141.36% from ₹ 40.28 lakhs in the Fiscal 2018 to ₹ 97.22 lakhs in Fiscal 2018. This is primarily due to an increase in profit before tax as compare to last year.

Profit after Tax

After accounting for taxes at applicable rates, our profit after tax had increased by 103.59%, from ₹ 125.31 lakhs in Fiscal 2017 to ₹ 255.12 lakhs in Fiscal 2018 as a result of reasons stated above.

Cash Flows

The table below sets forth our net cash flows with respect to operating activities, investing activities and financing activities for the periods indicated

(₹ in lakhs)

Particulars	Year ended March 31,		
	2019	2018	2017
Net Cash (used)/from Operating Activities	243.55	(47.44)	23.50
Net Cash (used)/from Investing Activities	(159.28)	(182.75)	(10.54)
Net Cash (used)/from Financing Activities	(84.76)	319.35	25.30

Cash Flows from Operating Activities

Net cash flow from operating activities for the Fiscal 2019 was ₹ 243.55 lakhs as compared to the PBT of ₹ 614.46 lakhs for the same period. The difference was primarily on account of adjustment in Interest & Finance Charges, Trade Receivable, profit on sale of tangible assets & Inventories.

Net cash flow from operating activities for the Fiscal 2018 was negative ₹ 47.44 lakhs as compared to the PBT of ₹ 346.68 lakhs for the same period. The difference was primarily on account of adjustment in Interest & Finance Charges, Trade Receivable, Inventories & Trade Payable.

Net cash flow from operating activities for the Fiscal 2017 was ₹ 23.50 lakhs as compared to the PBT of ₹ 160.57 lakhs for the same period. The difference was primarily on account of adjustment in Interest & Finance Charges, Trade Receivable, Inventories & Short Term Loans & Advances.

Cash Flows from Investment Activities

In the Fiscal 2019, the net cash used for Investing Activities was negative ₹ 159.28 lakhs. A major part of the net cash used comprises of purchase of fixed assets of ₹ 212.33 lakhs.

In the Fiscal 2018, the net cash used for Investing Activities was negative ₹ 182.75 lakhs. Asset purchases were of ₹ 149.62 lakhs and an investment made in the subsidiary.

In the Fiscal 2017, the net cash released from Investing Activities was negative ₹ 10.54 lakhs. This was primarily on account of purchase of fixed assets of ₹ 17.03.

Cash Flows from Financing Activities

Net cash inflow from financing activities in fiscal 2019 was negative ₹ 84.76 lakhs. This was majorly on account of payment of dividend, repayment of short term borrowings etc.

Net cash inflow from financing activities in fiscal 2018 was ₹ 319.35 lakhs. This was majorly on account of proceeds from share capital, increase in short term etc.

Net cash outflow from financing activities in fiscal 2017 was ₹ 25.30 lakhs. This was majorly on account of proceeds from share capital, proceeds from share capital etc.

RESULTS OF OUR CONSOLIDATION OPERATIONS

(₹ in lakhs)

Particulars	For the year ended March 31,			
	2019	% of Total Income	2018	% of Total Income
INCOME:				
Revenue from Operations(Net)	3,558.41	97.71%	2,149.66	97.96%
Other Income	83.32	2.29%	44.68	2.04%
Total income	3,641.73	100.00%	2,194.34	100.00%

Particulars	For the year ended March 31,			
	2019	% of Total Income	2018	% of Total Income
EXPENSES:				
Cost of Material Consumed	2,273.23	62.42%	1,262.73	57.54%
Purchases of Stock-in-Trade	0.19	0.01%	50.75	2.31%
Changes in Inventory of Finished Goods Work-in-Progress and Stock-in-Trade	(226.53)	-6.22%	(82.79)	-3.77%
Employee benefit expenses	298.83	8.21%	248.78	11.34%
Finance costs	8.22	0.23%	4.47	0.20%
Depreciation	37.73	1.04%	29.87	1.36%
Other Expenses	586.96	16.12%	348.17	15.87%
Total expenses	2,978.63	81.79%	1,861.98	84.85%
Exceptional and prior period items	-	-	-	-
Net Profit / (Loss) before Tax	663.10	18.21%	**332.36**	15.15%
Less: Tax expense				
(a) Current Tax				
Holding Company in India	145.50	4.00%	97.22	15.15%
Wholly owned subsidiary of USA	5.89	0.16%		
(b) Deferred Tax	17.16	0.47%	(5.66)	-0.26%
(c) MAT Credit entitlement	-	-	-	-
Total	168.55	4.63%	**91.56**	**4.17%**
Net Profit/(Loss) after tax	494.55	13.58%	**240.80**	10.97%

Fiscal 2019 compared with Fiscal 2018

Revenue from Operation

Revenue from operations had increased by 65.53%, from ₹ 2,149.66 lakhs in Fiscal 2018 to ₹ 3,558.41 lakhs in Fiscal 2019. This increase in sales is mainly due to increase in the Company's scale of operations primarily attributable to increased sales of textile machineries and sale of yarn.

Other Income

Other income had increased by 86.48%, from ₹ 44.68 lakhs in Fiscal 2018 to ₹ 83.32 lakhs in Fiscal 2019 on account of increase of duty drawbacks, profit on sale of fixed assets etc.

Cost of Materials Consumed

Cost of Materials Consumed had increased by 80.03%, from ₹ 1,262.73 lakhs in Fiscal 2018 to ₹ 2,273.23 lakhs in Fiscal 2019. This increase in purchases is in line with the increase in the Company's scale of operations.

Changes in inventories

Changes in Inventories had a variance by 173.62% from negative ₹ 82.79 lakhs in Fiscal 2018 to negative ₹ 226.53 lakhs in Fiscal 2019.

Employee Benefit Expenses

Employee benefit expenses had increased by 20.12%, from ₹ 248.78 lakhs in Fiscal 2018 to ₹ 298.83 lakhs in Fiscal 2019 on account of annual increase in staff salary, bonus and other welfare & workers expenses.

Finance Cost

Finance Cost had increased by 83.89% from ₹ 4.47 lakhs in Fiscal 2018 to ₹ 8.22 lakhs in Fiscal 2019. This is primarily on account of increase in borrowing cost, bank charges, interest on income tax payments etc.

Depreciation and Amortization Expenses

Depreciation had increased by 26.31%, from ₹ 29.87 lakhs in Fiscal 2018 to ₹ 37.73 lakhs in Fiscal 2019 on account of increase in gross block of assets.

Other Expenses

Other expenses had increased by 68.58% from ₹ 348.17 lakhs in Fiscal 2018 to ₹ 586.96 lakhs in Fiscal 2019. The increase in these expenses was majorly due to increase in freight inward expenses, job work charges, repair and maintenance expenses etc.

Tax Expenses

The Company's tax expenses had increased by 49.66% from ₹ 97.22 lakhs in the Fiscal 2018 to ₹ 145.50 lakhs in Fiscal 2019. This is primarily due to an increase in profit before tax as compare to last year.

Profit after Tax

After accounting for taxes at applicable rates, our profit after tax had increased by 105.38%, from ₹ 240.80 lakhs in Fiscal 2018 to ₹ 494.55 lakhs in Fiscal 2019 as a result of reasons stated above.

Cash Flows

The table below sets forth our net cash flows with respect to operating activities, investing activities and financing activities for the periods indicated

(₹ in lakhs)

Particulars	Year ended March 31,	
	2019	2018
Net Cash (used)/from Operating Activities	240.22	(103.68)
Net Cash (used)/from Investing Activities	(159.27)	(121.08)
Net Cash (used)/from Financing Activities	(84.76)	319.35

Cash Flows from Operating Activities

Net cash flow from operating activities for the Fiscal 2019 was ₹ 240.22 lakhs as compared to the PBT of ₹ 663.10 lakhs for the same period. The difference was primarily on account of adjustment in Interest & Finance Charges, Trade Receivable, profit on sale of tangible assets & inventories increase in short term loans and long term loans etc.

Net cash flow from operating activities for the Fiscal 2018 was negative ₹ 103.68 lakhs as compared to the PBT of ₹ 332.36 lakhs for the same period. The difference was primarily on account of adjustment in Interest & Finance Charges, Trade Receivable, Inventories & Trade Payable, change in current assets etc.

Cash Flows from Investment Activities

In the Fiscal 2019, the net cash used for Investing Activities was negative ₹ 159.27 lakhs. A major part of the net cash used comprises of purchase of fixed assets of ₹ 212.33 lakhs, change in tangible assets etc.

In the Fiscal 2018, the net cash used for Investing Activities was negative ₹ 121.08 lakhs. Asset purchases were of ₹ 152.72 lakhs, change in investments.

Cash Flows from Financing Activities

Net cash inflow from financing activities in fiscal 2019 was negative ₹ 84.76 lakhs. This was majorly on account of payment of dividend, repayment of short term borrowings etc.

Net cash inflow from financing activities in fiscal 2018 was ₹ 319.35 lakhs. This was majorly on account of proceeds from share capital, increase in short term, payment of dividend to the shareholders etc.

OTHER MATTERS

1. **Unusual or infrequent events or transactions**

   Except as described in this Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

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 Statements*" and chapter titled "*Management's Discussion and Analysis of Financial Conditions and Results of Operations*", beginning on page nos. 133 and 206 respectively of this 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. 17 and 206 respectively of this 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. 17 of this Prospectus, to our knowledge there are no factors, which will affect the future relationship between costs and income or which are expected to have a material adverse impact on our operations and finances.

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 capacity of new & existing products and volume of business activity carried out by the Company.

6. **Total turnover of each major industry segment in which our Company operates.**

   Our Company is engaged in the business of manufacturing of textile machinery and also processing yarn. The textile machinery business comprises of approximately 72% of our total revenues while the yarn processing segment contributes approximately 28%.

7. **Status of any publicly announced new products or business segments**

   Please refer to the chapter titled "*Our Business*" beginning on page no. 85 of this Prospectus.

8. **The extent to which the business is seasonal.**

   Our business is not seasonal in nature.

9. Any significant dependence on a single or few suppliers or customers

The revenues from our top 10 customers constituted approximately 58.03% respectively for fiscal 2019 and for fiscal 2018, the revenues from our top 10 customers constituted approximately 58.94%. For further details, please refer chapter "*Our Business*" beginning on page no. 85 of this Prospectus.

10. Competitive Conditions

Our Company faces competition from players in the global market as well as domestic market. We expect competition to intensify due to possible changes in government policy in relation to exports and further compliance standards for the products manufactured by us, existing competitors globally and locally further expanding their operations and further many small and medium-sized companies and entities engaged in manufacturing of chemicals. This we believe may impact our financial condition and operations.

STOCK MARKET DATA FOR EQUITY SHARES OF OUR COMPANY

Equity Shares of our Company is listed on BSE Limited. Equity Shares are actively traded on BSE Limited, the Company's stock market data have been given below based on the closing prices on BSE Limited.

I. The following table set forth the reported high, low and average market prices and trading volumes of Equity Shares recorded on the dates on which such high and low prices were recorded and the total trading volumes for Fiscal Years ended March 31, 2018 and March 31, 2019.

Fiscal Year	High (₹)	Date of High	Number of Equity Shares traded on the date of high	Low (₹)	Date of Low	Number of Equity Shares traded on the date of low	Average price for the year/ period (*) (₹)
May 15, 2017 to March 31, 2018	393	February 15, 2018	4,000	30.55	May 25, 2017	54,000	163.94
April 01, 2018 to March 31, 2019	263	April 25, 2018	4,000	166	October 10, 2018	5,000	207.04

Source: www.bseindia.com
** Arithmetic average of closing prices of all trading days during the said period*

Notes:
1. Our Company's shares commenced trading on BSE Limited on May 15, 2017 for the first time.
2. High, low and average prices are based on the daily high, low and closing prices respectively.

II. The details relating to the high and low prices recorded on the stock exchanges for the six months preceding the date of filing of this Prospectus, the volume of Equity Shares traded on the days the high and low prices were recorded, average price of our Equity Shares during each such month, the volume of Equity Shares traded during each month and the average number of Equity Shares traded during such trading days, are stated below:

Month	High (₹)	Date of High	Number of Equity Shares traded on the date of high	Low (₹)	Date of Low	Number of Equity Shares traded on the date of low	Average Price for the month (*) (₹)	Volume (No. of Shares)	No. of Traded Days	Average no. of shares traded during trading days
December 2018	240	December 20, 2018	8,000	175	December 28, 2018	5,000	206.28	69,000	17	4,059
January 2019	227.5	January 16, 2019	3,500	185	January 03, 2019	500	212.44	23,500	18	1,306
February 2019	225	February 05, 2019	7,000	171.55	February 15, 2019	1,000	208.67	16,000	9	1,778
March 2019	215	March 18, 2019	1,500	175	March 26, 2019	1,500	207.22	8,500	9	944
April 2019	235	April 26, 2019	2,000	195	April 04, 2019	4,000	214.40	20,000	12	1,667
May 2019	232.5	May 20, 2019	4,500	200	May 22, 2019	2,500	211.13	25,500	16	1,594

Source: www.bseindia.com
**Arithmetic average of closing prices of all trading days during the said period*

Note:
1. High, low and average prices are based on the daily high, low and closing prices respectively.
2. In the event that the high or low price for a given period is observed for more than one day, the day when maximum trading took place has been considered.

III. The Stock of our Company was not traded on BSE Limited on December 23, 2018, the first working day following the approval of the Board for the Issue.

SECTION VII –LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no outstanding (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) claims relating to direct and indirect taxes; (iv) disciplinary action including penalty imposed by SEBI or stock exchanges against the Promoters in the last three financial years immediately preceding the date of filing of this Prospectus; or (v) other pending litigations, as determined to be material by our Board of Directors involving our Company, its Directors, its Promoters and Subsidiary ("Relevant Parties").

Our Board, in its meeting held on April 07, 2017 has inter-alia adopted the Materiality Policy for purposes of disclosure of litigations involving the Relevant Parties and material Group Company in the Prospectus and Prospectus. In terms of the Materiality Policy, for the purpose of item (v) above, the outstanding litigations/arbitrations involving Relevant Parties and material Group Company shall be considered material if (i) the monetary amount of claim by or against the entity or person in any such pending matter(s) is in excess ₹ 50 lakhs or 5% (five percent) of the net profits after tax of the Company for the most recent audited fiscal period whichever is higher and (ii) such pending cases are material from the perspective of the Issuer's business, operations, prospects or reputation.

As per the Materiality Policy adopted by the Board of our Company in its meeting held on April 07, 2017, creditors of our Company to whom an amount in excess of 5% of consolidated trade payables as per the last consolidated audited financial statements of the Issuer is due, were considered 'material' creditors. 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 Regulations have been disclosed on our website at www.meeraind.com.

Our Company, Subsidiary, Directors and Promoters have not been declared as willful defaulters by the RBI or any government authority and there have been no violations of securities laws in the past or pending against them.

All terms defined in a particular litigation pertain to that litigation only. Unless stated to the contrary, the information provided below is as of the date of this Prospectus.

CONTINGENT LIABLITIES OF THE COMPANY AS PER THE RESTATED FINANCIAL ACCOUNTS OF THE COMPANY AS ON MARCH 31, 2019:

Particulars	Amount (₹ in Lakhs)
Sales Tax / VAT[(1)]	13.02
Total	**13.02**

The proceedings have been initiated against our Company on the basis of an assessment order issued by the Assistant Commissioner of Commercial Tax, Surat under Gujarat Value Added Tax Act, 2003 pertaining to assessment year 2011 – 2012. The State Commissioner has by its order dated February 18, 2018, reduced the liability of the Company to ₹ 13,02,464/- (Rupees Thirteen Lakhs Two Thousand Four Hundred and Sixty Four only). The same is now challenged before the Gujarat Value Added Tax Tribunal as a second appeal.

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

Type of Indirect Tax	Number of Case	Approximate amount in dispute/ demanded (₹ in lakhs)
Sales Tax/ VAT	1	13.02
Total	**1**	**13.02**

4. Other Pending Litigations

NIL

B. LITIGATION FILED BY 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

LITIGATION INVOLVING OUR SUBSIDIARY

A. LITIGATION AGAINST OUR SUBSIDIARY

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 SUBSIDIARY

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

LITIGATION INVOLVING OUR DIRECTORS (OTHERTHAN PROMOTERS)

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

Type of Direct Tax	Number of Case	Approximate amount in dispute/ demanded (₹ in lakhs)
Mr. Sanjay N. Mehta		

Type of Direct Tax	Number of Case	Approximate amount in dispute/ demanded (₹ in lakhs)
Income Tax	1	0.18
Total	**1**	**0.18**

(ii) Indirect Taxes Liabilities

NIL

4. Other Pending Litigations

NIL

B. LITIGATION FILED BY 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

LITIGATION INVOLVING OUR PROMOTERS

A. LITIGATION AGAINST OUR PROMOTERS

1. Criminal matters

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

Type of Direct Tax	Number of Case	Approximate amount in dispute/ demanded (₹ in lakhs)
Mr. Dharmesh V. Desai		
Income Tax	2	0.09
Total	**2**	**0.09**

(ii) Indirect Taxes Liabilities

NIL

4. Other Pending Litigations

NIL

B. LITIGATION FILED BY OUR PROMOTERS

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

Outstanding dues to creditors

As per the materiality policy adopted by the Board of our Company, creditors of our Company to whom an amount amount in excess of 5% of consolidated trade payables as per the last consolidated audited financial statements of the Issuer is due, were considered 'material' creditors. Based on these criteria, our Company had the following creditors as on March 31, 2019:

Particulars	Number of Creditors	Amount involved (₹ in lakhs)
Micro, Small and Medium Enterprise	16	97.82
Material Creditors	1	93.34
Other Creditors	169	278.09

For further details, please see the website of the Company at www.meeraind.com

Information provided on the website of our Company is not a part of this Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website, would be doing so at its own risk.

Disciplinary action including penalty imposed by SEBI or Stock Exchanges against the Promoters during the last 5 financial years

There are no disciplinary actions including penalty imposed by SEBI or Stock Exchanges against the Promoters during the last 5 financial years including outstanding actions.

MATERIAL DEVELOPMENTS OCCURING AFTER LAST BALANCE SHEET DATE

Except as disclosed elsewhere in this Prospectus, there have been no material developments that have occurred after the Last Balance Sheet Date. For further details, please see "*Management Discussions and Analysis of Financial Conditions and Result of Operations*" on page no. 206 of this Prospectus.

GOVERNMENT AND OTHER STATUTORY APPROVALS

Our business requires various approvals, licenses, registrations and permits issued by relevant Central and State authorities under various rules and regulations. We have set out below an indicative list of such material approvals, licenses, registrations and permits obtained by our Company, as applicable, for the purposes of undertaking their respective business. In view of such approvals, our Company can undertake the Issue and its current business activities. Additionally, unless otherwise stated, these approvals, licenses, registrations and permits are valid as on the date of this Prospectus. Certain approvals, licenses, registrations and permits may expire periodically in the ordinary course and applications for renewal of such expired approvals are submitted in accordance with applicable requirements and procedures.

The objects clause of the memorandum of association enables our Company to undertake its present business activities.

Approvals in relation to our Company:

The approvals required to be obtained by our Company include the following:

I. Incorporation details of our Company

1. Certificate of incorporation dated July 05, 2006 issued by the RoC, Gujarat, Dadra and Nagar Haveli to our Company;

2. Fresh certification dated March 09, 2017, granted by the RoC, Ahmedabad, upon change of name consequent conversion from Private Company to Public Company;

3. Our Company was allotted a corporate identity number L29298GJ2006PLC048627.

II. Approvals for the Issue

1. The Board of Directors have, pursuant to Section 62(1)(c) and other applicable provisions of the Companies Act 2013, by a resolution passed at its meeting held on December 21, 2018 authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.

2. The shareholders of our Company have, pursuant to Sections 62(1)(c) and other applicable provisions of the Companies Act, 2013, by a special resolution passed on dated January 16, 2019 authorized the issue.

3. In-principle approval dated June 03, 2019 from the BSE Limited for listing of the Equity Shares issued by our Company pursuant to the Issue.

4. Our Company's International Securities Identification Number ("**ISIN**") for Equity is INE343X01018.

III. Approvals for the Business

The Company requires various approvals to carry on its business in India. The approvals that we require include the following:

1. Approvals for the business

1. ISO 9001:2015 (Designing, Manufacturing and Supply of Yarn Twisting & Winding Machine) bearing certificate no. 99 100 17971 issued by TUV SUD South Asia Private Limited, Mumbai.

2. License to work a Factory bearing registration no. 315/29294/2001 and license no. 1688 issued by the Directorate of Industrial Safety & Health, Gujarat and is valid upto 31st December 2019.*

3. Udyog Aadhaar from Ministry of Micro, Small & Medium Enterprises bearing Udyog Aadhaar No. GJ22B0123149.

2. Approvals obtained by the Company regarding Tax Registrations

a. The permanent account number of our Company is AAECM7229A issued by the Income Tax Department under the Income Tax Act, 1961.

b. The goods and services tax identification number of our Company is 24AAECM7229A1ZV issued by the Government of India.

c. The tax deduction account number of our Company is SRTM03311A issued by the Income Tax Department, Government of India.

d. Certificate of Importer-Exporter Code (IEC) bearing IEC No. 5200001331 issued by the Ministry of Commerce, Government of India (Joint Director General of Foreign Trade).

3. Labor and Commercial Approvals

a. The registration under Professional Tax obtained by our Company bearing registration no. P22020320654 issued by Talati Kam Mantri, Gram Panchayat, Sachin.*

b. Registration certificate under Employees' Provident Funds & Miscellaneous Provisions Act, 1952 obtained by our Company bearing registration no. GJ/SRT/33284 issued by Employees' Provident Fund Organisation, Surat, Gujarat.*

c. Our company has been allotted Employers Code No. 39000304980000108 issued by Employee's State Insurance Corporation.*

IV. Miscellaneous approval and applications

Our Company has applied for the following registrations under the Trademark Act 1999 and Trademark Rule 2003. The present Status of our application is as under:

Sr. No.	Trade Mark Type	Date of Application	Application No.	Class & Status
1.	Device	August 02, 2010	2002480	7 & Opposed

*Our Company has made an application to respective authority for updating the aforesaid certificate to reflect our Company's current name.

V. Approvals applied for but not yet received / Renewals made in the usual course of business:

Our Company had obtained Recognition for its In-house R&D Unit(s) dated February 28, 2014 vide F No. TU/IV-RD/3709/2014 issued by the Department of Scientific & Industrial Research (DSIR) and which was valid till March 31, 2016. Our Company had further renewed Recognition for its In-house R&D Unit(s) on April 01, 2016 which was valid till March 31, 2019. Our Company vide its letter dated January 25, 2019 has now applied for renewal of recognition of Company's In-house R&D unit(s) (located at 2126, Road No. 2 GIDC, Sachin, Surat, Gujarat) to the Department of Scientific & Industrial Research (DSIR), Ministry of Science & Technology.

VI. Material licenses / approvals for which our Company is yet to apply / Statutory Approvals / Licenses required for the proposed expansion:

1. Our Company has obtained Registration of Research Institution, for the purpose of availing Customs/ Central Excise duty vide letter dated February 28, 2014 from Department of Scientific & Industrial Research (DSIR) which was valid till March 31, 2016. Our Company had further renewed the same on April 01, 2016 which was valid till March 31, 2019. Our Company in now in the process of applying for, exemption in terms of Govt. Notification No. 2412007- Customs dated 01.03.2007 and Central Excise Duty

Exemption in terms of Govt. Notification No. 16/2007, Central Excise dated 01.03.2007, for availing customs duty exemption.

2. Registration under the Gujarat Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2019.

3. Change of name application to the Talati Kam Mantri, Gram Panchayat, Sachin.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

Our Board of Directors have vide resolution dated December 21, 2018 authorized the Issue, subject to the approval by the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013.

The shareholders have authorized the Issue, by passing a Special Resolution at the Extra-Ordinary General Meeting held on January 16, 2019, in accordance with the provisions of Section 62(1)(c) of the Companies Act, 2013.

Our Board has approved and adopted the Draft Prospectus pursuant to its resolution dated May 17, 2019.

The Company has obtained approval from BSE vide letter dated June 03, 2019 to use the name of BSE in this Offer Document for listing of equity shares on the SME platform of the BSE. BSE is the designated stock exchange.

Prohibition by SEBI or Governmental Authorities

Our Company, our Promoters, our Directors, the members of our Promoter Group and our Subsidiary, have not been prohibited from accessing capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority or court.

None of the companies with which our Promoters or Directors of our Company are associated as Promoter or Directors have been debarred from accessing capital markets under any order or direction passed by SEBI or any other regulatory or governmental authorities. Further, none of our Promoters or Directors is a fugitive economic offender.

There has been no action taken by SEBI against our Directors or any entity in which our Directors are involved as Promoters or Directors.

Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018

Our Company, our Promoters and our Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 ("SBO Rules"), to the extent applicable, as on the date of this Prospectus.

Under the SBO Rules certain persons who are "Significant Beneficial Owners", are required to intimate their beneficial holdings to our Company in Form no. BEN–1. However, pursuant to the General Circular no. 8/2018 dated September 10, 2018 issued by the Ministry of Corporate Affairs, Government of India ("MCA"), filing of Form no. BEN–1 under the SBO Rules has been deferred until further notification from MCA. Therefore, compliance by such Promoters and members of the Promoter Group, with the SBO Rules, to the extent applicable to each of them will be completed only upon further notification by the MCA.

Prohibition by RBI

Neither our Company nor any of our Promoters, relatives (as defined under the Companies Act, 2013) of our Promoters, or Directors has been declared as wilful defaulter(s) by the RBI or any other governmental authority.

Directors associated with the Securities Market

None of our Directors are, in any manner, associated with the securities market and there has been no action initiated by SEBI against the Directors of our Company at anytime except as stated under the chapters titled "*Risk Factors*", "*Our Promoters and Promoter Group*" and "*Outstanding Litigations and Material Developments*" beginning on page nos. 17, 127, 220 of this Prospectus.

Eligibility for the Issue

This Issue is being made pursuant to Regulation 281 read with Regulation 103(1) of the SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby:

Pursuant to Regulation 281 read with Regulation 103(1) of the SEBI ICDR Regulations, our Company satisfies the conditions specified in Regulation 103(1) of the SEBI ICDR Regulations, which states as follows:

"An issuer may make a further public offer, if it has changed its name within the last one year, at least fifty per cent. of the revenue for the preceding one full year has been earned by it from the activity indicated by its new name."

Accordingly, in accordance with Regulation 103(1) of the SEBI ICDR Regulations, our Company is eligible to undertake the Issue as our Company has not changed its name within the last one year.

Our Company confirms that it will ensure compliance with the conditions specified in Regulation 104 (2) pursuant to Regulation 281 of the SEBI ICDR Regulations, to the extent applicable.

Further, our Company confirms that it is not ineligible to make the Issue, pursuant to Regulation 281 read with Regulation 102 of the SEBI ICDR Regulations, to the extent applicable. The details of our compliance with Regulation 102 of the SEBI ICDR Regulations are as follows:

(a) Neither our Company nor our Promoter, members of our Promoter Group or our Directors are debarred from accessing the capital markets by the SEBI.

(b) None of our Promoter or Directors are promoter or directors of companies which are debarred from accessing the capital markets by the SEBI.

(c) Neither our Company nor our Promoter or Directors is a willful defaulter.

(d) None of our Promoter or Directors is a fugitive economic offender.

We further confirm that we shall be complying with all other requirements as laid down for such Issue in the SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

Further, in accordance with Regulation 268 (1) 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 15 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 15 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.

Our Company is in compliance with Part A of Schedule VI of the SEBI ICDR Regulations.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS PROSPECTUS TO 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 THIS PROSPECTUS. THE LEAD MANAGER, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THIS PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 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 IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS PROSPECTUS, THE LEAD MANAGER IS EXPECTED TO EXERCISE DUE

DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, ARYAMAN FINANCIAL SERVICES LIMITED, HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED JUNE 04, 2019 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THIS PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER 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 ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE LMs, ANY IRREGULARITIES OR LAPSES IN THIS PROSPECTUS.

Note:

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the RoC in terms of section 26 and 30 of the Companies Act, 2013.

Disclaimer from our Company and the Lead Manager

Our Company, the Directors and the Lead Manager accept no responsibility for statements made otherwise than in this Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website https://www.meeraind.com/, or the respective websites of our Promoter Group or Group Company, 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 May 03, 2019 and addendum dated June 04, 2019 entered into among the Lead Manager and our Company, the Underwriting Agreement dated May 03, 2019 and addendum dated June 04, 2019 entered into among the Underwriter and our Company and the Market Making Agreement dated May 13, 2019 and addendum dated June 04, 2019 entered into among the Market Maker, Lead Manager and our Company.

All information shall be made available by our Company and the Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at Bidding centres or elsewhere.

Our Company shall not be liable for any failure in uploading the Applications due to faults in any software/ hardware system or otherwise.

Applicants will be required to confirm and will be deemed to have represented to our Company, the Underwriters and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, Underwriters and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company and their respective group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in investment banking transactions with our Company and their respective group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

Disclaimer in respect of Jurisdiction

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in shares, permitted insurance companies and insurance funds, and permitted provident funds and pension funds) and to, Eligible NRIs, FPIs and other eligible foreign investors (viz. bilateral and multilateral development financial institution). This Prospectus does not, however, constitute an invitation to subscribe to shares issued hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of the 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, except that this Prospectus has been filed with SEBI for its observations. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and this Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no 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.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and applicable laws of the jurisdictions where such offers and sales are made.

Each purchaser of the Equity Shares in the Issue in India shall be deemed to:

- Represent and warrant to our Company and the Lead Manager that it was outside the United States (as defined in Regulation S) at the time the Issue of the Equity Shares was made to it and it was outside the United States (as defined in Regulation S) when its buy order for the Equity Shares was originated.

- Represent and warrant to our Company and the Lead Manager that it did not purchase the Equity Shares as result of any "directed selling efforts" (as defined in Regulation S of the Securities Act).

- Represent and warrant to our Company and the Lead Manager that it bought the Equity Shares for investment purposes and not with a view to the distribution thereof. If in the future it decides to re-sell or otherwise transfer any of the Equity Shares, it agrees that it will not offer, sell or otherwise transfer the Equity Shares except in a transaction complying with Rule 903 or Rule 904 of Regulation S or pursuant to any other available exemption from registration under the U.S. Securities Act.

- Represent and warrant to our Company and the Lead Manager that if it acquired any of the Equity Shares as fiduciary or agent for one or more investor accounts, it has sole investment discretion with respect to each such account and that it has full power to make the foregoing representations, warranties, acknowledgements and agreements on behalf of each such account.

- Represent and warrant to our Company and the Lead Manager that if it acquired any of the Equity Shares for one or more managed accounts, that it was authorized in writing by each such managed account to subscribe to the Equity Shares for each managed account and to make (and it hereby makes) the representations, warranties, acknowledgements and agreements herein for and on behalf of each such account, reading the reference to "it" to include such accounts.

- Agree to indemnify and hold our Company and the Lead Manager harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations, warranties or agreements. It agrees that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares.

- Acknowledge that our Company, the Lead Manager and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements.

Applicants are advised to ensure that any Application from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law.

Disclaimer Clause of the BSE

BSE Limited ("BSE") has given vide its letter dated June 03, 2019, permission to this Company to use its name in this offer document as the stock exchanges on whose Small and Medium Enterprises Platform ("SME Platform"), this company's securities are proposed to be listed. BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. BSE does not in any manner:

i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or

ii. warrant that this Company's securities will be listed on completion of Further Public Offering or will continue to be listed on BSE; or

iii. take any responsibility for the financial or other soundness of this Company, its promoter, its management or any scheme or project of this Company;

iv. warrant, certify or endorse the validity, correctness or reasonableness of the price at which the equity shares are offered by the Company and the investors are informed to take the decision to invest in the equity shares of the Company only after making their own independent enquires, investigation and analysis. The price at which the Equity shares are offered by the Company is determined by the Company in consultation with the Merchant Bankers to the Issue and the Exchange has no role to play in the same and it should not be for any reason be deemed or construed that the contents of this offer document have been cleared or approved by BSE. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever"

v. BSE does not in any manner be liable for any direct, indirect, consequential or other losses or damages including loss of profits incurred by any investor or any third party that may arise from any reliance on this offer document or for the reliability, accuracy, completeness, truthfulness or timeliness thereof.

vi. The Company has chosen the SME Platform on its own initiative and at its own risk, and is responsible for complying with all local laws, rules, regulations and other statutory or regulatory requirements stipulated by BSE / other regulatory authority. Any use of the SME Platform and the related services are subject to Indian Laws and Courts exclusively situated in Mumbai.

Filing

The Draft Prospectus has not been filed with SEBI, nor has SEBI issued any observation on the Offer Document in terms of Regulation 246 of SEBI (ICDR), 2018. However, pursuant to sub regulation (5) of regulation 246, the copy of Draft Prospectus shall also be furnished to the board in a soft copy. Pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Prospectus will be filed online through SEBI Intermediary Portal at https://siportal.sebi.gov.in.

A copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 would be delivered for registration with RoC at the Office of the Registrar of Companies Ahmedabad, situated at ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad – 380013.

Listing

The Equity Shares are listed on the BSE. Applications will be made to the Stock Exchanges for permission to deal in and for an official quotation of the Equity Shares to be issued and sold in the Issue. The BSE will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permissions to deal in, and for an official quotation of, the Equity Shares are not granted by any of the Stock Exchanges mentioned above, our Company will forthwith repay, without interest, all moneys received from the Applicants in pursuance of the Prospectus. If such money is not repaid within the prescribed time after our Company is liable to repay it, then our Company and every Director of our Company and every officer of our Company who is in default may, on and from expiry of such period, shall be liable to repay the money, with interest, as prescribed under applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all Stock Exchanges mentioned above are taken within six Working Days of the Issue Closing Date.

The Company has obtained approval from BSE vide letter dated June 03, 2019 to use the name of BSE in this Offer document for listing of equity shares on SME Platform of BSE.

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 Advisor to the Issue, Banker to the Company, Banker to the Issue & Sponsor Banker, Market Maker and Underwriter 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.

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, M/s. K A Sanghavi & Co. LLP, Chartered Accountants, have provided their written consent to the inclusion of their reports dated May 17, 2019 on Restated Financial Statements, including amended Capitalisation Statement dated June 04, 2019 and to the inclusion of their reports dated May 17, 2019 on Statement of Tax Benefits, which may be available to the Company and its shareholders, included in this Prospectus in the form and context in which they appear therein and such consents and reports have not been withdrawn up to the time of filing of this Prospectus.

Expert Opinion

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. K A Sanghavi & Co. LLP, Chartered Accountants to include their name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Prospectus and as "Expert" as defined under section 2(38) of the Companies Act, 2013 in respect of the reports on the Statement of Tax Benefits dated May 17, 2019, and on the Restated Financial Statements dated May 17, 2019, including amended Capitalisation Statement dated June 04, 2019 and issued by them, included in this Prospectus and such consent has not been withdrawn as on the date of this Prospectus.

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

Issue Related Expenses

The total expenses of the Issue are estimated to be approximate ₹ 65.00 lakhs. The expenses of the Issue include, among others, underwriting and management fees, market making fees, selling commissions, SCSBs

commission/fees, printing and distribution expenses, legal expenses, statutory advertisement expenses, Registrar and depository fees and listing fees.

For further details, see "Objects of the Issue" on page no. 58 of this Prospectus.

Fees, Brokerage and Selling Commission Payable to the Lead Manager

The total fees payable to the Lead Manager (including underwriting commission and selling commission) is as stated in the MOU dated May 03, 2019 and addendum dated June 04, 2019, the Underwriting Agreement dated May 03, 2019 and addendum dated June 04, 2019 and the Market Making Agreement dated September 29, 2018 and addendum dated May 13, 2019 and addendum dated June 04, 2019 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 April 15, 2019.

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.

Commission payable to SCSBs, Registered Brokers, RTAs and CDPs

For details of the commission payable to SCBS, Registered Brokers, RTAs and CDPs, see "Objects of the Issue" on page no. 58 of this Prospectus.

CAPITAL ISSUE DURING THE LAST FIVE YEARS

Previous Public and Rights Issues

The equity shares of our Company are listed on SME exchange of BSE Limited. We have made public issue in the year 2017 and post that became a "Listed Issuer" in terms of the SEBI (ICDR) Regulations and this Issue is a "Further Public Offering" in terms of the SEBI (ICDR) Regulations.

The Company has made the following public issues in the five years preceding the date of this Prospectus.

Sr. No.	Closing Date	Date of Allotment	Date of Refunds	Date of Listing on the designated stock exchange	Issue at a premium or discount	Amount of Premium
1.	May 04, 2017	May 09, 2017	May 09, 2017	May 15, 2017	Premium	26.00

The total proceeds from the Initial Public issue of Equity Shares aggregated approximately Rs. 388.80 Lakhs. The issue opened on April 27, 2017 and closed on May 04, 2017.The proceeds of the issue were applied towards the objects of the issue as stated in the Prospectus dated April 21, 2017 viz. (i) to purchase additional plant and machineries for the existing manufacturing facility at Surat, Gujarat; (ii) setting up of new manufacturing facility to manufacture yarn at Surat, Gujarat; (iii) funding of working capital requirements of the Company; (iv) general Corporate Expenses and (v) Issue Expenses.

There were no deviations from the objects on which the issue proceeds were utilised. However, as per our Prospectus dated April 21, 2017 ("Prospectus"), filed with the RoC for our IPO, we had envisaged the utilization of the entire IPO funds in the F. Y. 2017-18. However, as disclosed in the Annual Report for the F. Y. 2017-18, out of the total amount raised through IPO, approximately ₹ 75.00 lakhs had not been utilized during F.Y. 2017-2018. Therefore there was no deviations from the objects on which the issue proceeds were utilised. However, there delay in utilizing the funds raised through IPO. For further details, refer "*Risk Factor No. 6"* on page no. **Error! Bookmark not defined.** of this Prospectus.

Previous Issues of Equity Shares otherwise than for Cash

Except as stated in the chapter titled "*Capital Structure*" beginning on page no. 48 of this Prospectus, we have not issued any Equity Shares for consideration other than for cash.

Commission and Brokerage Paid on Previous Issues of our Equity Shares

Our Company listed its shares on May 15, 2017. Our Company confirms all requisite commissions and brokerage are duly paid for the previous IPO.

Capital Issues in the last three (3) years by Listed Group Company / Subsidiary / Associates

None of our Subsidiary/ Associates that are listed on any Stock Exchange has made any Capital Issue in the last three (3) years. Our Company do not have any Group Company as on date of this Prospectus.

PERFORMANCE VIS-À-VIS OBJECTS

Issuer Company

Our Company has come out with an Initial Public Issue of 10,80,000 Equity Shares of ₹ 10 each offered at a fixed price of ₹ 36 per share aggregating to ₹ 388.80 lakhs. The said issue was opened for subscription on April 27, 2017 and closed on May 04, 2017. The issue was fully subscribed and the basis of allotment was finalized in consultation with the BSE Limited on May 09, 2017 and the new equity shares were listed on BSE with effect from May 15, 2017.

The Object of the Issue was to raise funds for:

i. To purchase additional plant and machineries for the manufacturing facility at Surat, Gujarat;
ii. Setting up of new manufacturing facility to manufacture yarn at Surat, Gujarat;
iii. Funding of working capital requirements of the Company;
iv. General Corporate Expenses and
v. Issue Expenses

Details of utilization of Public Issue proceeds of ₹ 388.80 lakhs are as follows:

(₹ in lakhs)

Sr. No.	Particulars	Proposed Objects	Actual Utilization
i.	Purchase additional plant and machineries for the manufacturing facility at Surat, Gujarat	90.00	90.00
ii.	Setting up of new manufacturing facility to manufacture yarn at Surat, Gujarat	51.00	51.00
iii.	Funding of working capital requirements of the Company	127.80	127.80
iv.	General Corporate Expenses	90.00	90.00
v.	Issue Expense	30.00	30.00
Total		**388.80**	**388.80**

As on the date of this Prospectus, the entire amount raised by our Company through the above mentioned IPO has been utilized.

Listed Group Companies / Subsidiary / Associate Companies

None of our Subsidiary/ Associates that are listed on any Stock Exchange has made any Capital Issue in the last five (5) years. Our Company do not have any Group Company as on date of this 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.

Price Information of past issues handled by the Lead Manager

1. Price information of past issues (during current financial year and two financial years preceding the current financial year) handled

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]- 30th calendar days from listing		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 90th calendar days from listing		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 180th calendar days from listing	
1.	Roopshri Resorts Ltd	3.60	20.00	01/04/2019	20.25	1.25%	0.41%	N.A.	N.A.	N.A.	N.A.
2.	Gleam Fabmat Ltd	3.12	10.00	05/03/2019	9.00	-36.50%	6.15%	-45.40%	10.50%	N.A.	N.A.
3.	DRS Dilip Roadlines Ltd	31.50	75.00	10/12/2018	75.15	1.33%	3.50%	0.33%	5.21%	N.A.	N.A.
4.	Roni Households Ltd	3.00	20.00	03/12/2018	20.05	25.00%	-0.96%	25.00%	-0.49%	25.50%	9.58%
5.	Marine Electricals India Ltd	42.87	66.00	11/10/2018	66.60	21.21%	3.43%	24.17%	6.06%	59.58%	14.04%
6.	Silgo Retail Ltd	4.88	36.00	10/10/2018	36.45	0.00%	1.20%	0.00%	3.27%	1.39%	10.94%
7.	Sky Gold Ltd	25.56	180	03/10/2018	180.45	2.22%	-2.68%	0.58%	0.78%	1.11%	8.05%
8.	Saketh Exim Ltd	9.44	69.00	13/08/2018	69.30	0.00%	0.12%	3.48%	-6.79%	18.84%	-3.63%
9.	Supershakti Metaliks Ltd	60.01	375	30/07/2018	377.10	12.00%	3.28%	9.73%	-11.06%	8.00%	-3.92%
10.	Ambani Organics Ltd	9.03	66	18/07/2018	66.65	0.30%	4.47%	0.15%	-3.60%	0.76%	-2.21%

2. Summary statement of price information of past issues (during current financial year and two financial years preceding the current financial year)

Financial Year	Total no. of IPOs	Total Funds Raised (₹ in Cr.)	Nos. of IPOs trading at discount - 30th calendar day from listing day			Nos. of IPOs trading at premium - 30th calendar day from listing day			Nos. of IPOs trading at discount - 180th calendar day from listing day			Nos. of IPOs trading at premium - 180th 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%
2019-20	1[(1)]	3.60	-	-	-	-	-	1	-	-	-	-	-	-
2018-19	14[(2)]	327.66	-	1	1	-	1	9	-	-	2	1	1	8
2017-18	16	318.24	1	1	4	1	1	8	3	3	3	-	-	6

[(1)] Details indicated in 2019-20 are for the IPOs completed as on date.

[(2)] As on the 30th and 90th Calendar day from the listing day, the price of Silgo Retail Limited and 30th Calendar day from the listing day, the price of Saketh Exim Limited is exactly equal to its Issue Price and hence it is neither trading at Premium or Discount

Notes:

a) Since the listing date of Roopshri Resorts Limited was April 01, 2019, information related to closing price and benchmark index as on the 90th Calendar day and 180th Calendar day from the listing date is not available.

b) Since the listing date of Gleam Fabmat Limited and DRS Dilip Roadlines Limited was March 05, 2019 and December 10, 2018 respectively information related to closing price and benchmark index as on the 180th Calendar day from the listing date is not available.

c) The respective Designated Stock Exchange for each Issue has been considered as the Benchmark index for each of the above Issues.

d) 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.

e) Source: www.bseindia.com and www.nseindia.com BSE Sensex and Nifty Fifty as the Benchmark Indices.

Track record of past issues handled by the Lead Manager

For details regarding the track record of the Lead Manager to the Issue as specified in Circular reference CIR/MIRSD/1/ 2012 dated January 10, 2012 issued by the SEBI, please see the website of Aryaman Financial Services Limited – *www.afsl.co.in*

DISPOSAL OF INVESTOR GRIEVANCES

Mechanism for Redressal of Investor Grievances

The Company has appointed Karvy Fintech 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, branch UPI ID. 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-coordinating with the Registrar to the Issue in attending to the grievances to the investor.

All grievances relating to the ASBA process may be addressed to the SCSBs, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant. We estimate that the average time required by us or the Registrar to the Issue or the SCSBs for the redressal of routine investor grievances will be seven business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

The Company has obtain authentication on the SCORES and comply with the SEBI circular (CIR/OIAE/1/2013) dated April 17, 2013 in relation to redressal of investor grievances through SCORES

Our Board by a resolution on October 10, 2017 reconstituted a Stakeholders Relationship Committee. The composition of the Stakeholders Relationship Committee is as follows:

Name of the Director	Status in Committee	Nature of Directorship
Mr. Mayank Y. Desai	Chairman	Non Executive Director
Mr. Hetal R. Mehta	Member	Independent Director
Mr. Sanjay N. Mehta	Member	Independent Director

For further details, please see the chapter titled "*Our Management*" beginning on page no. 114 of this Prospectus.

The Company has also appointed Ms. Bhavisha K. Khakhkhar as the Compliance Officer for this Issue and she may be contacted at the Registered Office of our Company.

Ms. Bhavisha K. Khakhkhar
Address: 2126, Road No. 2 GIDC, Sachin, Surat – 394230, Gujarat
Tel: + 91 261 2399114

Fax: +91 261 2397269
Email: cs@meeraind.com
Website: www.meeraind.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

Our Company was listed on May 15, 2017 on BSE Limited and since then our Company has received no investor complaints and hence there are no pending investor complaints as on the date of this Prospectus.

DISPOSAL OF INVESTOR GRIEVANCES BY LISTED COMPANIES UNDER THE SAME MANAGEMENT

There are no other Listed Companies under the same Management as on the date of this Prospectus.

SECTION VIII – ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued are subject to the provisions of the Companies Act, SEBI (ICDR) Regulations, 2018 SEBI Listing Regulations, SCRA, SCRR, our Memorandum and Articles of Association, the terms of the Draft Prospectus, this Prospectus, the Application Form, the Revision Form, the Confirmation of Allocation Note and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of this 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 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, 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.

Ranking of Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 our Memorandum and Articles of Association, SEBI ICDR Regulations, SCRA 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. 301 of this Prospectus.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, 2013 the Memorandum and Articles of Association and provisions of the SEBI Listing Regulations and any other guidelines or directions which may be issued by the Government in this regard. Dividends, if any, declared by our Company after the date of Allotment, will be payable to the Applicants who have been Allotted Equity Shares in the Issue, for the entire year, in accordance with applicable laws. For further details, in relation to dividends, see "*Dividend Policy*" and "*Main Provisions of the Articles of Association*" beginning on page nos. 132 and 301 of this Prospectus.

Face Value and Issue Price

The Equity Shares having a face value of ₹ 10 each are being issued in terms of this Prospectus at the price of ₹ 225 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. 64 of this Prospectus.

At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

Compliance with SEBI (ICDR) Regulations

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, 2018. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, 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 and e-voting, in accordance with the provisions of the Companies Act;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability of the Equity Shares, subject to applicable laws including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed Public 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 of our company"* beginning on page no. 301 of this Prospectus.

Allotment only in Dematerialised Form

In terms of Section 29 of Companies Act, 2013, the Equity Shares shall be allotted only in dematerialised form. As per the SEBI (ICDR) Regulations, 2018 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 April 19, 2017 between our Company, NSDL and the Registrar and Share Transfer Agent to the Issue.

2) Tripartite agreement dated April 11, 2017 between our Company, CDSL and the Registrar and Share Transfer Agent to the Issue.

Market Lot and Trading Lot

Trading of the Equity Shares will happen in the minimum contract size of 500 Equity Shares in terms of the SEBI Circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012 and in terms of BSE Notice No. 20180402-21 dated April 02, 2018. The same may be modified by SME Platform of BSE from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of 500 Equity Share subject to a minimum allotment of 500 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 not later than 15 days of closure of issue.

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 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 under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

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 of the Companies Act, 2013 and the rules made thereunder, 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 and Sponsor Bank, as applicable, 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 at any

stage including after the Issue Closing Date and thereafter determines that it will proceed with the FPO, 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	June 13, 2019
Issue Closing Date	June 18, 2019
Finalisation of Basis of Allotment with the Designated Stock Exchange	June 21, 2019
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	June 24, 2019
Credit of Equity Shares to demat accounts of Allottees	June 25, 2019
Commencement of trading of the Equity Shares on the Stock Exchange	June 26, 2019

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.

SEBI is in the process of streamlining and reducing the post issue timeline for Public Issues. Any circulars or notifications from SEBI after the date of this Prospectus may result in change of the above mentioned timelines.

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 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

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 the minimum number of allottees as prescribed in regulation 268(1) of the SEBI (ICDR) Regulations, 2018, as amended.

Arrangements for Disposal of Odd Lots

The trading of the Equity Shares will happen in the minimum contract size of 500 shares. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME Platform of BSE Limited.

Restrictions, if any, on transfer and transmission of shares or debentures and on their consolidation or splitting

Except for the lock-in of the pre-Issue capital of our Company, Promoters' Contribution and the public lock-in as provided in "*Capital Structure*" beginning on page no. 48 of this Prospectus and except as provided in our Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, see "*Main Provisions of the Articles of Association*" beginning on page no. 301 of this Prospectus.

New Financial Instruments

The Issuer Company is not issuing any new financial instruments through this Issue.

Allotment of Securities in Dematerialised Form

In accordance with the SEBI ICDR Regulations, 2018, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange.

Migration to Main Board

In accordance with the BSE Circular dated November 26, 2012 our Company migrate to the main board of BSE from the SME Exchange on a later date subject to the following:

As per Regulation 277 of SEBI (ICDR) Regulations 2018, If the Paid up Capital of the company is more than ₹ 10 crores and up to ₹ 25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Market Making

The shares issued through this Issue are proposed to be listed on the SME Platform of BSE (SME Exchange), wherein the Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Maker of the SME Exchange for a minimum period of three years from the date of listing on the SME Platform of BSE.

For further details of the 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. 46 of this Prospectus.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(1) of the SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue face value capital does not exceed more than ten crore rupees, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the SME Platform of BSE). Further, pursuant to Regulation 281 read with Regulation 103(1) of the SEBI ICDR Regulations, our Company is eligible to undertake the Issue as our Company has not changed its name within the last one year. 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. 240 and 247 respectively, of this Prospectus.

Following is the issue structure:

Public Issue of 5,22,000 Equity Shares of ₹ 10 each (the "Equity Shares") for cash at a price of ₹ 225 per Equity Share aggregating to ₹ 1,174.50 lakhs ("the Issue") by Meera Industries Limited ("MIL" or the "Company").

The Issue comprises a reservation of 30,000 Equity Shares of ₹ 10 each for subscription by the designated Market Maker ("the Market Maker Reservation Portion") and Net Issue to Public of 4,92,000 Equity Shares of ₹ 10 each ("the Net Issue"). The Issue and the Net Issue will constitute 11.73% and 11.06%, 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	4,92,000 Equity Shares	30,000 Equity Shares
Percentage of Issue Size available for allocation	94.25% of the Issue Size	5.75% of the Issue Size
Basis of Allotment	Proportionate subject to minimum allotment of 500 Equity Shares and further allotment in multiples of 500 Equity Shares each.	Firm Allotment
Mode of Application	Through ASBA Process Only	Through ASBA Process Only
Minimum Application Size	*For QIB and NII:* Such number of Equity Shares in multiples of 500 Equity Shares such that the Application Value exceeds ₹ 2,00,000. *For Retail Individuals:* 500 Equity Shares	30,000 Equity Shares
Maximum Application Size	*For QIB and NII:* Such number of Equity Shares in multiples of 500 Equity Shares such that the Application Size does not exceed 4,92,000 Equity Shares. *For Retail Individuals:* Such number of Equity Shares in multiples of 500 Equity Shares such that the Application Value does not exceed ₹ 2,00,000.	30,000 Equity Shares
Mode of Allotment	Dematerialized Form	Dematerialized Form
Trading Lot	500 Equity Shares	500 Equity Shares, However the Market Maker may buy odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.

Particulars of the Issue	Net Issue to Public	Market Maker Reservation Portion
Terms of Payment	The entire Application Amount will be payable at the time of submission of the Application Form	
Application Lot Size	500 Equity Share and in multiples of 500 Equity Shares thereafter	

Note:

- *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.*

- *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.*

- *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.*

- *SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB*

Lot Size

Based on SEBI Circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012 (the "Circular") and in terms of BSE Notice No. 20180402-21 dated April 02, 2018, the trading of the Equity Shares will happen in the minimum contract size of 500 Equity Shares in terms of the SEBI Circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012 and in terms of. The same may be modified by SME Platform of BSE from time to time by giving prior notice to investors at large.

Further to the Circular, at the Public Issue stage the Registrar to Issue in consultation with Lead Manager, our Company and BSE shall ensure to finalize the basis of allotment in minimum lots and in multiples of minimum lot size.

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 and Sponsor Bank, as applicable, 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 at any stage including after the Issue Closing Date and thereafter determines that it will proceed with the FPO, our Company shall be required to file a fresh Draft Prospectus.

ISSUE PROCEDURE

All Applicants should review the General Information Document for Investing in Public Issue, prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI (the "General Information Documents") and including SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 and (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018, and (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, to be included in the prospectus under "Part B – General Information Document" of this section, highlighting the key rules, procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, and the SEBI Regulations.

The General Information Documents to be included will be updated to reflect the enactments and regulations including the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, SEBI Listing Regulations and certain notified provisions of the Companies Act, 2013, to the extent applicable to a public issue. The General Information Document will also be available on the websites of the Stock Exchange and the Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

All Designated Intermediaries in relation to the Issue should ensure compliance with the SEBI circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, as amended and modified by the SEBI circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, in relation to clarifications on streamlining the process of public issue of equity shares and convertibles.

Pursuant to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fifth Amendment) Regulations, 2015, there have been certain changes in the issue procedure for public offerings including making the ASBA process mandatory for all Applicants, allowing registrar, share transfer agents, collecting depository participants and stock brokers to accept application forms. Further, SEBI, by its circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, reduced the time taken for listing after the closure of an issue to six working days.

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and Lead Manager would not be able to include any amendment, modification or change in applicable law, which may occur after the date of the Prospectus. Applicants are advised to make their independent investigations and ensure that their Application do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Draft Prospectus and this Prospectus.

This section applies to all the Applicants, please note that all the Applicants are required to make payment of the full Application Amount along with the Application Form.

Phased implementation of Unified Payments Interface

SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 has proposed to introduce an alternate payment mechanism using Unified Payments Interface ("UPI") and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries will be made effective along with the existing process and existing timeline of T+6 days. The same will continue for a period of three months or launch of five main board public issues, whichever is later ("UPI Phase I"). Thereafter, for application by RIIs through Designated Intermediaries, the existing process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds will be discontinued and only the UPI Mechanism with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later ("UPI Phase II"). Subsequently, the final reduced timeline will be made effective using the UPI Mechanism for applications by RIBs ("UPI Phase III"), as may be prescribed by SEBI.

This Issue may be amongst one of the few public offerings in which the UPI Mechanism for application by Retail Individual Investors is being permitted, the Company and the LM are not liable for any adverse occurrence's consequent to the implementation of the UPI Mechanism for application in this Issue.

Retail Individual Investors making application using UPI shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application in the Issue. The SCSBs upon receipt of the Bid cum Application Form will upload the Bid details along with the UPI ID in the bidding platform of the Stock Exchanges. Applications made by the Retail Individual Investors using third party bank account or using UPI Ids linked to the bank accounts of any third parties are liable for rejection. Bankers to the Issue shall provide the investors UPI linked bank account details to RTA for purpose of reconciliation. Post uploading the Bid details in the bidding platform, the Stock Exchanges will validate the PAN and demat account details of Retail Individual Investors with the Depositories.

PART A

FIXED PRICE ISSUE PROCEDURE

The Issue is being made under pursuant to Regulation 281 read with Regulation 103(1) and Regulation 229(1) of the SEBI (ICDR) Regulations, 2018 through a Fixed Price Process.

Applicants are required to submit their Applications to the Application collecting intermediaries i.e. SCSB or Registered Brokers of Stock Exchanges or Registered Registrar to the Issue and Share Transfer Agents (RTAs) or Depository Participants (DPs) registered with SEBI. In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

In case of Non-Institutional Applicants and Retail Individual Applicants, the Company would have a right to reject the Applications only on technical grounds.

Investors should note that Equity Shares will be allotted to successful Applicants in dematerialize form only. The Equity Shares on Allotment shall be traded only in the dematerialize segment of the Stock Exchange, as mandated by SEBI.

Investors should note that the Equity Shares will be Allotted to all successful Applicants only in dematerialised form. The Application Forms which do not have the details of the Applicant's depository account, including DP ID, Client ID and PAN and UPI ID (for RII bidding using the UPI mechanism), shall be treated as incomplete and will be rejected. Applicants will not have the option of being Allotted Equity Shares in physical form.

AVAILABILITY OF PROSPECTUS AND APPLICATION FORMS

The Memorandum containing the salient features of the Prospectus together with the Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, from the Registered Office of the Lead Manager to the Issue, Registrar to the Issue as mentioned in the Application form. The application forms may also be downloaded from the website of BSE i.e. www.bseindia.com. Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Prospectus. All the applicants shall have to apply only through the ASBA process. ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking of funds that are available in the bank account /UPI ID linked bank account details specified in the Application Form used by ASBA applicants. Upon completing and submitting the Application Form for Applicants to the SCSB, the Applicant is deemed to have authorized our Company to make the necessary changes in the Prospectus and the Application Form as would be required for filing the Prospectus with the RoC and as would be required by RoC after such filing, without prior or subsequent notice of such changes to the Applicant. Applicants (other than using RIIs applying using the UPI mechanism) must provide bank account details and authorisation by the ASBA account holder to block funds in their respective ASBA Accounts in the relevant space provided in the Application Form and the Application Form that does not contain such detail are liable to be rejected.

RIIs bidding using the UPI mechanism must provide the UPI ID in the relevant space provided in the Application Form and the Application Form that does not contain the UPI ID are liable to be rejected.

Further, Applicants shall ensure that the Applications are submitted at the Bidding Centres only on Application Forms bearing the stamp of a Designated Intermediary (except in case of electronic Application Forms) and Application Forms not bearing such specified stamp maybe liable for rejection. Applicants must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Application Amount can be blocked by the SCSB or the Sponsor Bank, as applicable, at the time of submitting the Application.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour of Application Form*
Resident Indians and Eligible NRIs applying on a non-repatriation basis**	White
Non-Residents including Eligible NRIs, FII's, FVCIs etc. applying on a repatriation basis**	Blue

** Excluding electronic Application Form.*
*** Application forms will also be available on the website of the BSE (www.bseindia.com).*

Designated Intermediaries (other than SCSBs) shall submit/deliver the Application Forms (except the Application Form from a RII applying using the UPI mechanism) to the respective SCSB, where the Applicant has a bank account and shall not submit it to any non-SCSB bank or any Escrow Bank.

WHO CAN APPLY?

In addition to the category of Applicants set forth under the sub-section "*Part B - General Information Document for Investing in Public Issues – Category of Investors Eligible to Participate in an Issue*" on page no. 260 of this Prospectus, any other persons eligible to apply in the Issue under the laws, rules, regulations, guidelines and policies applicable are also eligible to invest in the Equity Shares.

PARTICIPATION BY ASSOCIATES/AFFILIATES OF LEAD MANAGER, PROMOTERS, PROMOTER GROUP AND PERSONS RELATED TO PROMOTER/PROMOTER GROUP

The Lead Manager shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the Lead Manager may subscribe to Equity Shares in the Issue, either in the QIB Portion and Non-Institutional Portion where the allotment is on a proportionate basis.

The Promoters, Promoter Group, Lead Manager and any persons related to the Lead Manager (except Mutual Funds sponsored by entities related to the Lead Manager) cannot apply in the Issue.

APPLICATION BY INDIAN PUBLIC INCLUDING ELIGIBLE NRIs APPLYING ON NON-REPATRIATION

Application must be made only in the names of individuals, limited companies or statutory corporations / institutions and not in the names of minors (other than minor having valid depository accounts as per demographic details provided by the depositary), foreign nationals, non-residents (except for those applying on non-repatriation), trusts, (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a company), Hindu Undivided Families (HUF), partnership firms or their nominees. In case of HUFs, application shall be made by the Karta of the HUF.

Eligible NRIs applying on a non-repatriation basis may make payments by inward remittance in foreign exchange through normal banking channels or by debits to NRE / FCNR accounts as well as NRO accounts.

An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public.

APPLICATION BY MUTUAL FUNDS

As per the current regulations, the following restrictions are applicable for investments by mutual funds:

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any Company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any Company's paid up share capital carrying voting rights.

The Applications made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

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.

APPLICATIONS BY ELIGIBLE NRIS/FII'S ON REPATRIATION BASIS

Application Forms have been made available for Eligible NRIs at the Company's Registered Office and at the office of Lead Manager to the Issue.

Eligible NRI applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment. The Eligible NRIs who intend to make payment through Non Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians and should not use the form meant for the reserved category.

Under the Foreign Exchange Management Act, 1999 (FEMA) general permission is granted to companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRI's subject to the terms and conditions stipulated therein. Companies are required to file declaration in the prescribed form to the concerned Regional Office of RBI within 30 days from the date of issue of shares for allotment to NRI's on repatriation basis.

Allotment of Equity Shares to Non Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in Equity Shares will be allowed to be repatriated along with the income thereon subject to permission of the RBI and subject to the Indian Tax Laws and regulations and any other applicable laws.

The Company does not require approvals from FIPB or RBI for the Transfer of Equity Shares in the issue to eligible NRI's, FII's, Foreign Venture Capital Investors registered with SEBI and multilateral and bilateral development financial institutions.

As per the current regulations, the following restrictions are applicable for investments by FPIs:

1) Foreign portfolio investor shall invest only in the following securities, namely- (a) Securities in the primary and secondary markets including shares, debentures and warrants of companies, listed or to be listed on a recognized stock exchange in India; (b) Units of schemes floated by domestic mutual funds, whether listed on a recognized stock exchange or not; (c) Units of schemes floated by a collective investment scheme; (d) Derivatives traded on a recognized stock exchange; (e) Treasury bills and dated government securities; (f) Commercial papers issued by an Indian company; (g) Rupee denominated credit enhanced bonds; (h) Security receipts issued by asset reconstruction companies; (i) Perpetual debt instruments and debt capital instruments, as specified by the Reserve Bank of India from time to time; (j) Listed and unlisted non-convertible debentures/bonds issued by an Indian company in the infrastructure sector, where 'infrastructure' is defined in terms of the extant External Commercial Borrowings (ECB) guidelines; (k) Non-convertible debentures or bonds issued by Non-Banking Financial Companies categorized as 'Infrastructure Finance Companies'(IFCs)

by the Reserve Bank of India; (l) Rupee denominated bonds or units issued by infrastructure debt funds; (m) Indian depository receipts; and (n) Such other instruments specified by the Board from time to time.

2) Where a foreign institutional investor or a sub account, prior to commencement of these regulations, holds equity shares in a company whose shares are not listed on any recognized stock exchange, and continues to hold such shares after initial public offering and listing thereof, such shares shall be subject to lock-in for the same period, if any, as is applicable to shares held by a foreign direct investor placed in similar position, under the policy of the Government of India relating to foreign direct investment for the time being in force.

3) In respect of investments in the secondary market, the following additional conditions shall apply:

a) A foreign portfolio investor shall transact in the securities in India only on the basis of taking and giving delivery of securities purchased or sold;

b) Nothing contained in clause (a) shall apply to:

i) Any transactions in derivatives on a recognized stock exchange;
ii) Short selling transactions in accordance with the framework specified by the Board;
iii) Any transaction in securities pursuant to an agreement entered into with the merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Regulation 253 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
iv) Any other transaction specified by the Board.

c) No transaction on the stock exchange shall be carried forward;

d) The transaction of business in securities by a foreign portfolio investor shall be only through stock brokers registered by the Board; provided nothing contained in this clause shall apply to:

i) transactions in Government securities and such other securities falling under the purview of the Reserve Bank of India which shall be carried out in the manner specified by the Reserve Bank of India;

ii) sale of securities in response to a letter of offer sent by an acquirer in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

iii) sale of securities in response to an offer made by any promoter or acquirer in accordance with the Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009;

iv) Sale of securities, in accordance with the Securities and Exchange Board of India (Buy-back of securities) Regulations, 2018;

v) divestment of securities in response to an offer by Indian Companies in accordance with Operative Guidelines for Disinvestment of Shares by Indian Companies in the overseas market through issue of American Depository Receipts or Global Depository Receipts as notified by the Government of India and directions issued by Reserve Bank of India from time to time;

vi) Any bid for, or acquisition of, securities in response to an offer for disinvestment of shares made by the Central Government or any State Government;

vii) Any transaction in securities pursuant to an agreement entered into with merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

viii) Any other transaction specified by the Board.

e) A foreign portfolio investor shall hold, deliver or cause to be delivered securities only in dematerialized form:

Provided that any shares held in non-dematerialized form, before the commencement of these regulations, can be held in non-dematerialized form, if such shares cannot be dematerialized.

Unless otherwise approved by the Board, securities shall be registered in the name of the foreign portfolio investor as a beneficial owner for the purposes of the Depositories Act, 1996.

4) The investment by the foreign portfolio investor shall also be subject to such other conditions and restrictions as may be specified by the Government of India from time to time.

5) In cases where the Government of India enters into agreements or treaties with other sovereign Governments and where such agreements or treaties specifically recognize certain entities to be distinct and separate, the Board may, during the validity of such agreements or treaties, recognize them as such, subject to conditions as may be specified by it.

6) A foreign portfolio investor may lend or borrow securities in accordance with the framework specified by the Board in this regard.

No foreign portfolio investor may issue, subscribe to or otherwise deal in offshore derivative instruments, directly or indirectly, unless the following conditions are satisfied:

a) Such offshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatory authority;

b) Such offshore derivative instruments are issued after compliance with 'know your client' norms:

Provided that those unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated shall not issue, subscribe or otherwise deal in offshore derivatives instruments directly or indirectly.

Provided further that no Category III foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivatives instruments directly or indirectly.

7) A foreign portfolio investor shall ensure that further issue or transfer of any offshore derivative instruments issued by or on behalf of it is made only to persons who are regulated by an appropriate foreign regulatory authority.

8) Foreign portfolio investors shall fully disclose to the Board any information concerning the terms of and parties to off-shore derivative instruments such as participatory notes, equity linked notes or any other such instruments, by whatever names they are called, entered into by it relating to any securities listed or proposed to be listed in any stock exchange in India, as and when and in such form as the Board may specify.

9) Any offshore derivative instruments issued under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 before commencement of SEBI (Foreign Portfolio Investors) Regulations, 2014 shall be deemed to have been issued under the corresponding provisions of SEBI (Foreign Portfolio Investors) Regulations, 2014.

10) A FII or its subaccount which holds a valid certificate of registration shall, subject to payment of conversion fees, be eligible to continue to buy, sell or otherwise deal in securities till the expiry of its registration as a foreign institutional investor or sub-account, or until he obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

11) A qualified foreign investor may continue to buy, sell or otherwise deal in securities subject to the provisions of the SEBI (Foreign Portfolio Investors) Regulations, 2014, for a period of one year from the date of commencement of the aforesaid regulations, or until it obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

12) The issue of Equity Shares to a single FII should not exceed 10% of our post Issue Paid up Capital of the Company. In respect of an FII investing in Equity Shares of our Company on behalf of its sub accounts, the investment on behalf of each sub account shall not exceed 10% of our total issued capital or 5% of our total issued capital in case such sub account is a foreign corporate or an individual.

13) In accordance with the foreign investment limits, the aggregate FII holding in our Company cannot exceed 24% of our total issued capital. However, this limit can be increased to the permitted sectoral cap/statutory limit, as applicable to our Company after obtaining approval of its board of Directors followed by the special resolution to that effect by its shareholders in their General Meeting. As on the date of filing the Prospectus, no such resolution has been recommended to the shareholders of the Company for adoption.

14) Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of regulation 15A(1) of the Securities Exchange Board of India (Foreign Institutional Investors) Regulations 1995, as amended, an FII may issue, deal or hold, off shore derivative instruments such as participatory notes, equity linked notes or any other similar instruments against underlying securities listed or proposed to be listed in any stock exchange in India only in favour of those entities which are regulated by any relevant regulatory authorities in the countries of their incorporation or establishment subject to compliance of "Know Your Client" requirements. An FII shall also ensure that no further downstream issue or transfer of any instrument referred to hereinabove is made to any person other than a regulated entity.

15) In case of FII's in NRI/FII Portion, number of Equity Shares applied shall not exceed issue size.

APPLICATION BY SEBI REGISTERED ALTERNATIVE INVESTMENT FUND (AIF), VENTURE CAPITAL FUNDS AND FOREIGN VENTURE CAPITAL INVESTORS

The SEBI (Venture Capital) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI. As per the current regulations, the following restrictions are applicable for SEBI registered venture capital funds and foreign venture capital investors:

Accordingly, the holding by any individual venture capital fund registered with SEBI in one Company should not exceed 25% of the corpus of the venture capital fund; a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one Company. Further, Venture Capital Funds and Foreign Venture Capital investor can invest only up to 33.33% of the funds available for investment by way of subscription to an Initial Public Offer.

The SEBI (Alternative Investment funds) Regulations, 2012 prescribes investment restrictions for various categories of AIF's.

The category I and II AIFs cannot invest more than 25% of the corpus in one investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A Venture capital fund registered as a category I AIF, as defined in the SEBI 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 Regulations shall continue to be regulated by the VCF Regulations.

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 which, the 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, the Company reserves the right to reject any application, without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended (The "IRDA Investment Regulations"), are broadly set forth below:

a) Equity shares of a Company: the least of 10% of the investee Company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
b) The entire group of the investee Company: the least of 10% of the respective fund in case of a life insurer or general insurer or reinsurer or 10% of investment assets in case of a general insurer or reinsurer (25% in case of Unit Linked Insurance Plans); and

c) The industry sector in which the investee Company operates: the least of 10% of the insurer's total investment exposure to the industry sector (25% in case of Unit Linked Insurance Plans).

In addition, the IRDA partially amended the exposure limits applicable to investments in public limited companies in infrastructure and housing sectors i.e. December 26, 2008, providing, among other things, that the exposure of an insurer to an infrastructure Company may be increased to not more than 20%, provided that in case of equity investment, a dividend of not less than 4% including bonus should have been declared for at least five preceding years. This limit of 20% would be combined for debt and equity taken together, without sub ceilings.

Further, investments in equity including preference shares and the convertible part of debentures shall not exceed 50% of the exposure norms specified under the IRDA Investment Regulations.

APPLICATION BY PROVIDENT FUNDS / PENSION FUNDS

In case of applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 25 Crores, 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, the Company reserves the right to reject any application, without assigning any reason thereof.

APPLICATION UNDER POWER OF ATTORNEY

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FPI's, Mutual Funds, insurance companies and provident funds with minimum corpus of ₹ 25 Crores (subject to applicable law) and pension funds with a minimum corpus of ₹ 25 Crores a certified copy of the power of attorney or the relevant Resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged with the Application Form. Failing this, the Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

a) In addition to the above, certain additional documents are required to be submitted by the following entities: With respect to applications by VCFs, FVCIs, FPIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.

b) With respect to applications by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged with the Application Form as applicable. Failing this, the Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.

c) With respect to applications made by provident funds with minimum corpus of ₹ 25 Crores (subject to applicable law) and pension funds with a minimum corpus of ₹ 25 Crores, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject such application, in whole or in part, in either case without assigning any reasons thereof.

The 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 the Company and the lead manager may deem fit.

The Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue that, for the purpose of printing particulars on the refund order and mailing of the Allotment Advice / CANs / letters notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the application). In such cases, the Registrar to the Issue shall use Demographic Details as given on the Application Form instead of those obtained from the Depositories.

The above information is given for the benefit of the Applicants. The Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

PRE-ISSUE ADVERTISEMENT

As provided in Section 30 of the Companies Act, 2013 and 264(2) of the SEBI (ICDR) Regulations, 2018, the Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one widely circulated English national daily newspaper; one widely circulated Hindi national daily newspaper and one widely circulated regional newspaper.

SIGNING OF UNDERWRITING AGREEMENT

The issue is 100% Underwritten. Our Company has entered into an Underwriting Agreement with the Lead Manager on May 03, 2019 and addendum dated June 04, 2019.

GENERAL INSTRUCTIONS

Do's:

- Check if you are eligible to apply as per the terms of the Prospectus and under applicable law, rules, regulations, guidelines and approvals;
- Ensure that you have made Application at the Issue Price;
- Read all the instructions carefully and complete the Application Form in the prescribed form;
- Ensure that the details about the PAN, DP ID and Client ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
- Ensure that your Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time;
- If the first applicant is not the bank account holder, ensure that the Application Form is signed by the account holder. Ensure that you have an account with an SCSB and have mentioned the correct bank account number of that SCSB in the Application Form;
- All Applicants should submit their Applications through the ASBA process including through UPI mode (as applicable) only;
- Ensure that the signature of the First Applicant in case of joint Applications, is included in the Application Forms;
- 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;
- Ensure that you request for and receive a stamped acknowledgement in the form of a counterfoil or by specifying the application number for all your Application options as proof of registration of the Application Form from the concerned Designated Intermediary;
- 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 any of the Designated Intermediaries;

- With respect to Applications by SCSBs, ensure that you have a separate account in your own name with any other SCSB having clear demarcated funds for applying under the ASBA process and that such separate account (with any other SCSB) is used as the ASBA Account with respect to your Application;
- Submit revised Applications to the same Designated Intermediary, through whom the original Application was placed and obtain a revised acknowledgment;

  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, (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, and (iii) any other category of Applicant, including without limitation, multilateral/ bilateral institutions, which 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;

- Ensure that the Demographic Details are updated, true and correct in all respects;

- 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;
- Ensure that the correct category and the investor status is indicated in the Application Form to ensure proper upload of your Application in the electronic Bidding system of the Stock Exchanges;
- Ensure that in case of Applications under power of attorney or by limited companies, corporates, trust etc., relevant documents, including a copy of the power of attorney, are submitted;
- Ensure that Applications submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
- Bidders 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;
- Ensure that while Application through a Designated Intermediary, the Application Form is submitted to a Designated Intermediary in a Bidding Centre and in case of Application through a Designated Intermediary (other than RIIs bidding through the UPI mechanism) that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at http://www.sebi.gov.in), or such other websites as may be updated from time to time;
- 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;
- For RIIs applying using the UPI mechanism, ensure that you approve the Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to application amount and subsequent debit of funds in case of allotment, in a timely manner;
- RIIs shall ensure that details of the applications are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an RII may be deemed to have verified the attachment containing the application details of the RII in the UPI Mandate Request and have agreed to block the entire Application Amount and authorized the Sponsor Bank to block the Application Amount mentioned in the Application Form.
- RIIs applying using the UPI mechanism should mention valid UPI ID of only the Applicant (in case of single account) and of the first Applicant (in case of joint account) in the Application Form.

- RIIs applying using the UPI mechanism, who have revised their Application subsequent to making the initial Application, should also approve the revised Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to the revised Application Amount and subsequent debit of funds in case of allotment in a timely manner.
- Applications by Eligible NRIs and Category III FPIs for a Bid Amount of less than ₹ 200,000 would be considered under the Retail Category for the purposes of allocation and Bids for a Bid Amount exceeding ₹ 200,000 would be considered under the Non-Institutional Category for allocation in the Issue.

The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

- Do not Apply for lower than the minimum Application size;
- Do not Apply/revise Application Amount to less than the Issue Price;
- Do not Apply on another Application Form after you have submitted a Application to a Designated Intermediary;
- Do not pay the Application Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
- Do not send Application Forms by post; instead submit the same to the Designated Intermediary only;
- Do not make applications using third party bank accounts or using third party linked bank account UPI IDs;
- Do not submit the Application Forms to any non-SCSB bank or our Company;
- Do not apply on an Application Form that does not have the stamp of the relevant Designated Intermediary;
- 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.
- Do not submit your Application after 3.00 pm on the Issue Closing Date;
- If you are a QIB, do not submit your Application after 3.00 p.m. on the Issue Closing Date;
- Instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
- Do not apply for an Application Amount exceeding ₹ 200,000 (for Application by Retail Individual Investors);
- Do not submit the General Index Register (GIR) number instead of the PAN;
- Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
- Do not submit incorrect UPI ID details if you are a RII applying through the UPI mechanism;
- Do not submit the Application without ensuring that funds equivalent to the entire Application Amount are available for blocking in the relevant ASBA Account;
- Do not submit more than one Application Forms per ASBA Account;
- Do not submit more than one Application Form for each UPI ID in case of RIIs applying through the Designated Intermediaries using the UPI mechanism;
- Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
- Do not submit Bids to a Designated Intermediary at a location other than Specified Locations;
- Do not withdraw your Application or lower the size of your Application (in terms of quantity of the Equity Shares or the Application Amount) at any stage, if you are a QIB or a Non-Institutional Investor;
- Do not submit Application on plain paper or on incomplete or illegible Application Forms or on Application Forms in a colour prescribed for another category of Applicant;
- 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;
- Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Applications submitted by RII Applicants using the UPI mechanism;
- 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);
- Do not submit ASBA Applications to a Designated Intermediary at a Bidding Centre unless the SCSB where the ASBA Account is maintained, as specified in the Application Form, has named at least one branch in the relevant Bidding Centre, for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at http://www.sebi.gov.in);

- Do not apply if you are a FVCI, OCB, multilateral or bilateral financial institution or an NRI applying on a repatriation basis; and
- Do not submit an Application Form with third party UPI ID (in case of application submitted by RII Applicant using the UPI mechanism).

The Application Form is liable to be rejected if the above instructions, as applicable or any other condition mentioned in this Prospectus, are not complied with.

EQUITY SHARES IN DEMATERIALIZED FORM WITH NSDL OR CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

a) Tripartite agreement dated April 19, 2017 with NSDL, our Company and Registrar to the Issue;
b) Tripartite agreement dated April 11, 2017 with CDSL, our Company and Registrar to the Issue;

The Company's shares bear an ISIN: INE343X01018

UNDERTAKING BY OUR COMPANY

Our Company undertakes the following:

1. that the complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily;

2. If Allotment is not made, application monies will be refunded/unblocked in the ASBA Accounts within 15 days from the Issue Closing Date or such lesser time as specified by SEBI, failing which interest will be due to be paid to the Applicants at the rate of 15% per annum for the delayed period;

3. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within 6 (Six) working days of closure of the Issue;

4. that funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by us;

5. Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 days from the Issue Closing Date, or such time period as specified by SEBI, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

6. That if our Company do not proceed with the Issue after the Issue Closing Date but prior to Allotment, the reason thereof shall be given as a public notice 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;

7. That if our Company in consultation with the Lead Manager, withdraw the Issue after the Issue Closing Date, our Company shall be required to file a fresh draft offer document, in the event our Company subsequently decides to proceed with the Issue thereafter;

8. That our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time;

9. that the instruction for electronic credit of Equity Shares/ refund orders/intimation about the refund to non - resident Indians shall be completed within specified time; and

10. that no further issue of Equity Shares shall be made till the Equity Shares offered through the Prospectus are listed or till the application monies are refunded/unblocked in the ASBA Account on account of non-listing, under subscription etc.

11. that Company shall not have recourse to the Issue proceeds until the approval for trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

12. Adequate arrangements shall be made to collect all Application forms.

UTILIZATION OF ISSUE PROCEEDS

The Board of Directors 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 and continue to be disclosed till any part of the issue proceeds remains unutilized under an appropriate separate head in the Company's balance sheet indicating the purpose for which such monies have been utilized;

3. Details of all unutilized monies out of the Issue, if any shall be disclosed under an appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested;

4. Our Company shall comply with the requirements of section SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to section 177 of the Company's Act, 2013 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue respectively;

5. Our Company shall not have recourse to utilize 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 certain 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.

SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 has proposed to introduce an alternate payment mechanism using Unified Payments Interface ("UPI") and consequent reduction in timelines in a phased manner. From January 1, 2019, the UPI mechanism for RIIs applying through Designated Intermediaries will be made effective along with the existing process and existing timeline of T+6 days. The same will continue for a period of three months or launch of five main board public issues, whichever is later ("UPI Phase I"). Thereafter, for application by RIIs through Designated Intermediaries, the existing process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds will be discontinued and only the UPI mechanism with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later ("UPI Phase II"). Subsequently, the final reduced timeline will be made effective using the UPI mechanism for applications by RIIs ("UPI Phase III"), as may be prescribed by SEBI.

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.

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, to the extent applicable, the SEBI ICDR Regulations 2018, the SEBI LODR Regulations, the Companies Act, 2013, 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, 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 two 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 and determine the Offer Price at a later date before registering the Prospectus with the Registrar of Companies.

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).

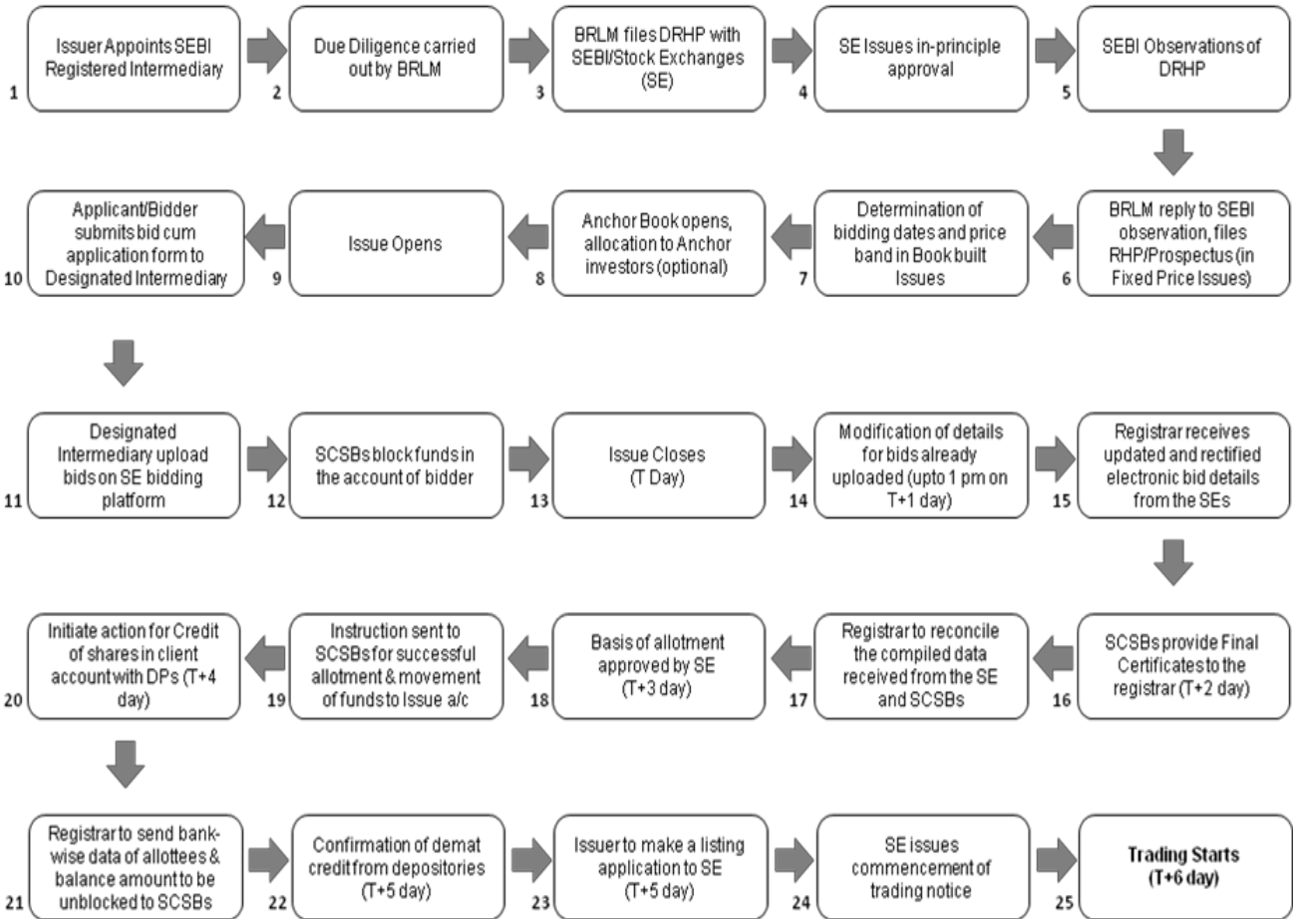
In case of a Book Built Issue, the Issuer may close the Issue Period for QIBs one Working Day prior to the Bid/ Issue Closing Date if disclosures to that effect are made in the Prospectus. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/ Issue Period may be extended 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.

In case of force majeure, banking strike or similar circumstances, the Issuer may, for reasons to be recorded in writing, extend the Issue period for a minimum period of three working days, subject to the total Issue Period not exceeding 10 Working Days.

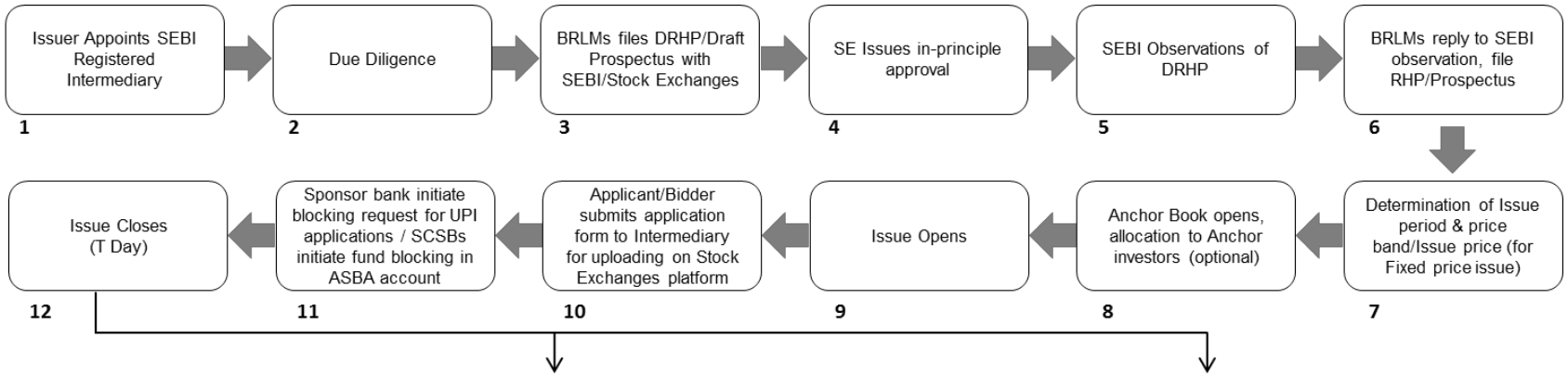
2.6 FLOWCHART OF TIMELINES

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:



Flow chart of Timeline for Phase I



S.no	Day	Retail applications with UPI	Retail applications without UPI and QIB/NII applications
13	T+1	• Sponsor Bank to initiate request for blocking of funds to investor for any balance applications • Sponsor Bank may not accept bid details from stock exchange post T+1	• Intermediaries to forward a schedule as per requisite format and application forms to SCSBs for blocking of funds • Designated branches of SCSBs may not accept schedule and application post T+1
14	T+2	• Applicant to accept mandate request for blocking of funds prior to cut off-time of 12:00 p.m • Sponsor Bank to send Final Certificate to the registrar through stock exchange by end of the day	• SCSBs to send Final Certificate to the registrar by end of the day
15	T+2	• Registrar to reconcile the compiled data received from the stock exchanges, all SCSBs and Sponsor Bank • Registrar to undertake "Technical Rejection"	
16	T+3	• Approval of Basis of allotment by designated stock exchange • Registrar and merchant banker to issue funds transfer instructions to SCSBs and Sponsor Bank	
17	T+4	• SCSBs and Sponsor Bank to credit the funds in public issue account of the issuer • Registrar / Issuer to initiate corporate action for credit of shares to successful allottees • Issuer and registrar to file allotment details with designated stock exchange(s) • Registrar to send bank-wise data of allottees, amount due and balance amount to be unblocked to SCSBs / Sponsor Bank.	
18	T+5	• Registrar to receive confirmation of demat credit from depositories • Issuer to make a listing application to stock exchanges • Stock exchanges to issue commencement of trading notice	
19	T+6	• **Trading commences**	

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, 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);
- 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;
- National Investment Fund set up by resolution no. F. No. 2/3/2005-DD-II dated November 23, 2005 of the GoI published in the Gazette of India;
- 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 Bid cum Application Form bearing stamp of a Designated Intermediary as available or downloaded from the websites of the Stock Exchanges. Bid cum Application Forms are available with the Book Running Lead Manager, the Designated Intermediaries at the Bidding Centres and at the registered office of the Issuer. Electronic Bid cum Application Forms will be available on the websites of the Stock Exchanges at least one day prior to the Bid/ Issue Opening Date. For further details, regarding availability of Bid cum Application Forms, Bidders may refer to the Prospectus and advertisements in the newspaper(s).

Fixed Price Issue: Applicants should only use the specified Application Form bearing stamp of Designated Intermediary as available or downloaded from the websites of the Stock Exchanges. Application Forms will also be available with the Designated Branches of the SCSBs and at the Registered Office of the Issuer.

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[(1)]
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

[(1)] 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.

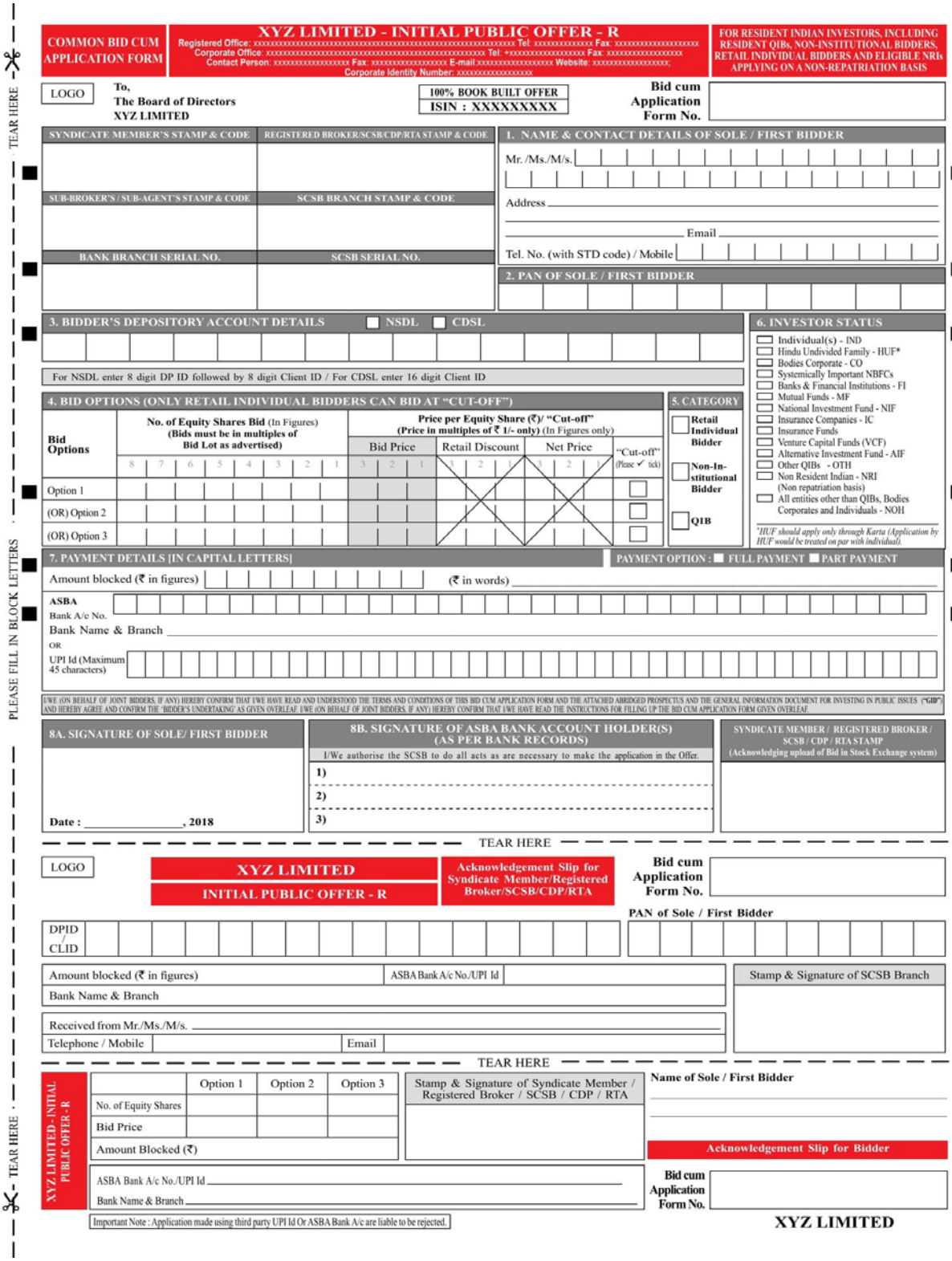
4.1 INSTRUCTIONS FOR FILLING THE BID CUM APPLICATION FORM/APPLICATION FORM

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.

A sample Application Form for resident Applicants and the Application Form for non-resident Applicants are reproduced below:

Application Form – For Resident

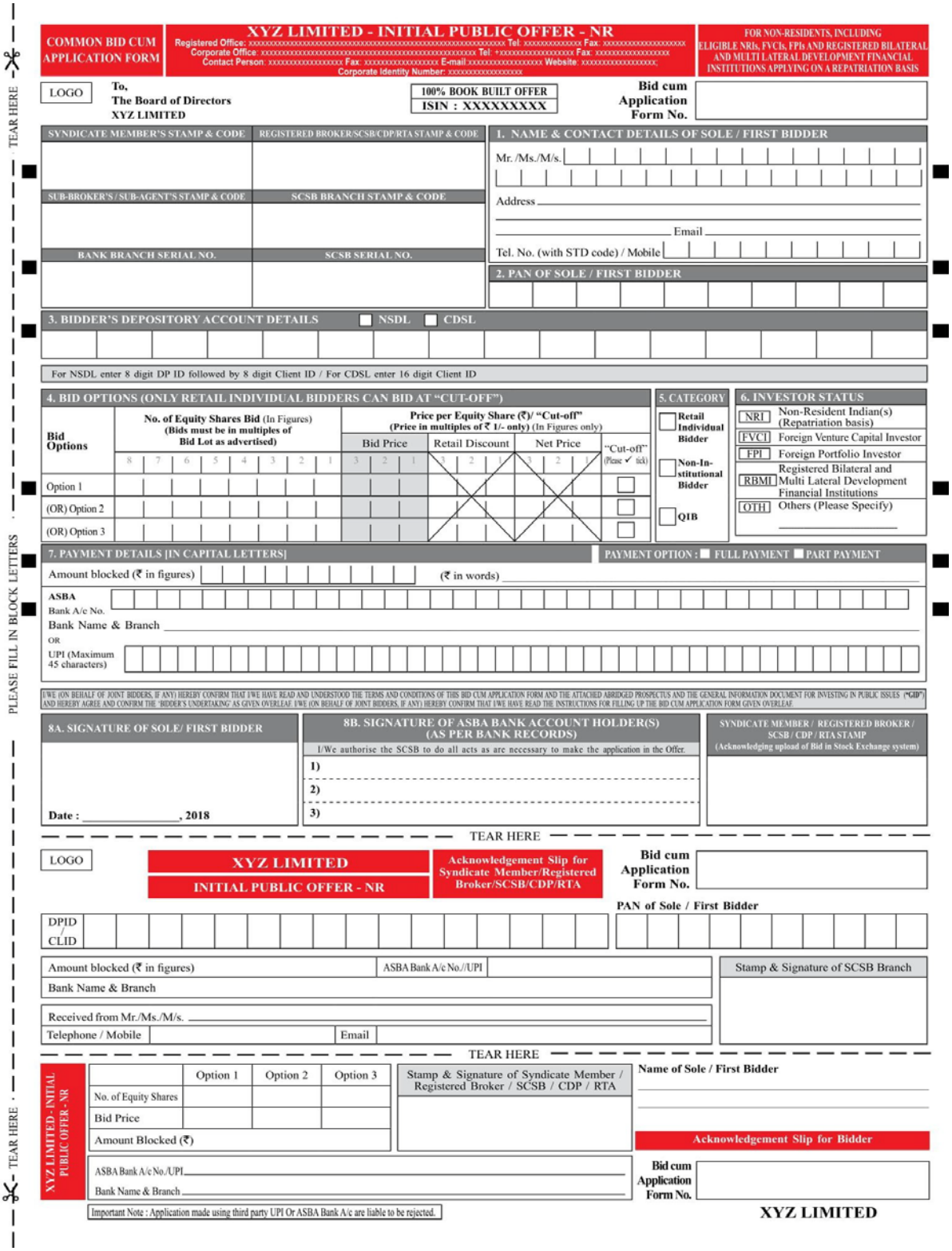


COMMON BID CUM APPLICATION FORM

XYZ LIMITED - INITIAL PUBLIC OFFER - R

Registered Office: xxxx

Application Form – For Non Resident



COMMON BID CUM APPLICATION FORM

XYZ LIMITED - INITIAL PUBLIC OFFER - NR

Registered Office: xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx Tel: xxxxxxxxxxxxxx Fax: xxxxxxxxxxxxxxxxxxx
Corporate Office: xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx Tel: +xxxxxxxxxxxxxxxxxx Fax: xxxxxxxxxxxxxxxxxx
Contact Person: xxxxxxxxxxxxxxxxxx Fax: xxxxxxxxxxxxxxxxxx E-mail:xxxxxxxxxxxxxxxxxx Website: xxxxxxxxxxxxxxxxx;
Corporate Identity Number: xxxxxxxxxxxxxxxxxx

FOR NON-RESIDENTS, INCLUDING ELIGIBLE NRIs, FVCIs, FPIs AND REGISTERED BILATERAL AND MULTI LATERAL DEVELOPMENT FINANCIAL INSTITUTIONS APPLYING ON A REPATRIATION BASIS

LOGO

To,
The Board of Directors
XYZ LIMITED

100% BOOK BUILT OFFER
ISIN : XXXXXXXXX

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	REGISTERED BROKER/SCSB/CDP/RTA STAMP & CODE
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	SCSB BRANCH STAMP & CODE
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr. /Ms./M/s.

Address

Email

Tel. No. (with STD code) / Mobile

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

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")

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 only)			"Cut-off" (Please ✓ tick)
		Bid Price	Retail Discount	Net Price	
Option 1					☐
(OR) Option 2					☐
(OR) Option 3					☐

5. CATEGORY

☐ Retail Individual Bidder
☐ Non-Institutional Bidder
☐ QIB

6. INVESTOR STATUS

NRI	Non-Resident Indian(s) (Repatriation basis)
FVCI	Foreign Venture Capital Investor
FPI	Foreign Portfolio Investor
RBMI	Registered Bilateral and Multi Lateral Development Financial Institutions
OTH	Others (Please Specify)

7. PAYMENT DETAILS [IN CAPITAL LETTERS]

PAYMENT OPTION : ☐ FULL PAYMENT ☐ PART PAYMENT

Amount blocked (₹ in figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

OR

UPI (Maximum 45 characters)

I/WE (ON BEHALF OF JOINT BIDDERS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE 'BIDDER'S UNDERTAKING' AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT BIDDERS, 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)	SYNDICATE MEMBER / REGISTERED BROKER / SCSB / CDP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
Date : _____, 2018	I/We authorise the SCSB to do all acts as are necessary to make the application in the Offer. 1) 2) 3)	

TEAR HERE

LOGO

XYZ LIMITED
INITIAL PUBLIC OFFER - NR

Acknowledgement Slip for Syndicate Member/Registered Broker/SCSB/CDP/RTA

Bid cum Application Form No.

DPID / CLID

PAN of Sole / First Bidder

Amount blocked (₹ in figures) | ASBA Bank A/c No./UPI

Bank Name & Branch

Stamp & Signature of SCSB Branch

Received from Mr./Ms./M/s.

Telephone / Mobile | Email

TEAR HERE

XYZ LIMITED - INITIAL PUBLIC OFFER - NR

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Amount Blocked (₹)			

Stamp & Signature of Syndicate Member / Registered Broker / SCSB / CDP / RTA

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

ASBA Bank A/c No./UPI

Bank Name & Branch

Bid cum Application Form No.

Important Note : Application made using third party UPI Or ASBA Bank A/c are liable to be rejected.

XYZ LIMITED

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

TEAR HERE

Specific instructions for filling various fields of the Resident Application Form and Non-Resident Application Form and samples are provided below.

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. A Bid cum Application Form/Application Form without PAN, except in case of PAN Exempted Bidders/Applicants, is liable to be rejected. 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 PAN, 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 the place where the Issuer's registered office is situated, at least two 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 are liable to 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 ₹ 1,00,000

to ₹ 2,00,000. The minimum Bid Lot is accordingly determined by an Issuer on basis of such minimum application value.

e) Allotment: The Allotment of specified securities to each RII shall not be less than the minimum Bid Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be Allotted on a proportionate basis. For details of the minimum 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, Bids bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected.

   2) For Bids from Mutual Funds, 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 Net Offer 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, 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, for the purpose of Bidding, allocation and Allotment in the Issue are RIIs, NIIs and QIBs.

b) Up to 60% of the QIB Category can be allocated by the Issuer, on a discretionary basis subject to the criteria of minimum and maximum number of Anchor Investors based on allocation size, to the Anchor Investors, in accordance with SEBI ICDR Regulations, with one-third of the Anchor Investor Portion reserved for domestic Mutual Funds subject to valid Bids being received at or above the Issue Price. For details regarding allocation to Anchor Investors, Bidders may refer to the Prospectus.

c) An Issuer can make reservation for certain categories of Applicants as permitted under the SEBI ICDR Regulations. For details of any reservations made in the Issue, Applicants may refer to the Prospectus.

d) The SEBI ICDR Regulations, specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation 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) Applicants are required to enter either the ASBA Bank account details or the UPI ID in this field. In case the Applicants doesn't provide any of the ASBA Bank account details or the UPI ID then the application would be rejected. For application submitted to Designated Intermediaries (other than SCSBs), Applicants providing both, the ASBA Bank account details as well as the UPI ID, the UPI ID will be considered for processing of the application.

b) 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.

c) RIIs applying at Cut-off Price shall deposit the Application Amount based on the Issue Price.

d) RIIs submitting their applications through Designated Intermediaries (other than the SCSBs) can participate in the Issue through UPI mechanism, through their UPI ID linked with their bank account.

e) All QIB and NII Bidders (except Anchor Investors) can participate in the Issue only through the ASBA mechanism.

f) Bid Amount cannot be paid in cash, cheque, demand draft, through money order or through postal order.

4.1.7.1 Instructions for Anchor Investors:

a) Anchor Investors may submit their Bids with a Book Running Lead Manager.

b) Payments should be made either by direct credit, RTGS, NACH or NEFT.

c) The Anchor Escrow Bank(s) shall maintain the monies in the Anchor Escrow Account for and on behalf of the Anchor Investors until the Designated Date.

4.1.7.2 Payment instructions for Bidders (other than Anchor Investors)

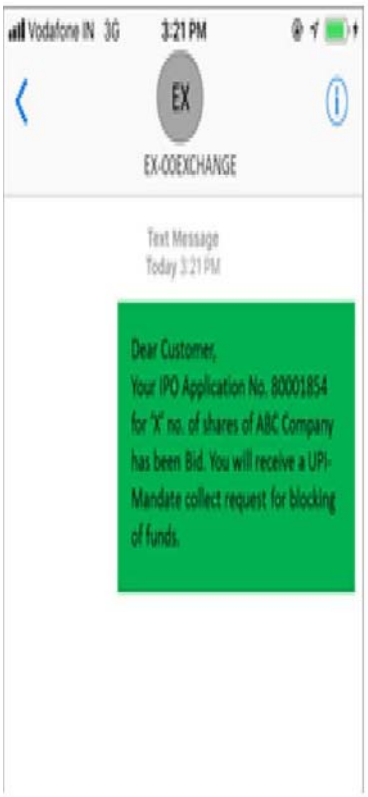
a) RIIs bidding through Designated Intermediaries should note that with the introduction of UPI as a payment mechanism, there are four channels of making applications in public issues available to them in UPI Phase I (i.e. from January 1, 2019 for a period of three months or floating of five main board public issues, whichever is later). The four channels for making applications in public issues available to RIIs bidding through Designated Intermediaries are as follows:

Channel I	Channel II	Channel III	Channel IV
RIIs may submit the Bid cum Application Form with ASBA as the sole mechanism for making payment either physically (at the branch of the SCSB) or online. For such applications the existing process of uploading the bid and blocking of funds in the RIIs account by the SCSB would continue.	RIIs may submit the Bid cum Application Form online using the facility of linked online trading, demat and bank account (3-in-1 type accounts) provided by Registered Brokers.	RIIs may submit the Bid cum Application Form with any of the Designated Intermediaries, along with details of his/her ASBA Account for blocking of funds. For such applications the Designated Intermediary will upload the bid in the stock exchange bidding platform and forward the application form to Designated Branch of the concerned SCSB for blocking of funds.	RIIs may submit the Bid cum Application Form with any of the Designated Intermediaries (other than SCSBs) and use his/her UPI ID for the purpose of blocking of funds.

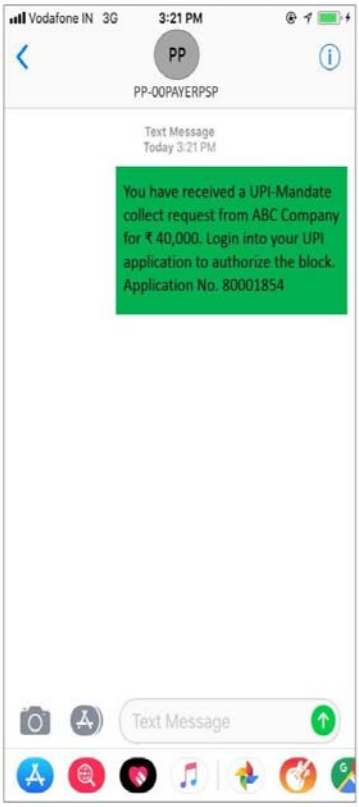
For UPI Phase II and UPI Phase III, RIIs will have the option to use only Channel I, Channel II and Channel IV (as described above) for making applications in a public issue.

Please see below a graphical illustrative process of the investor receiving and approving the UPI Mandate Request.

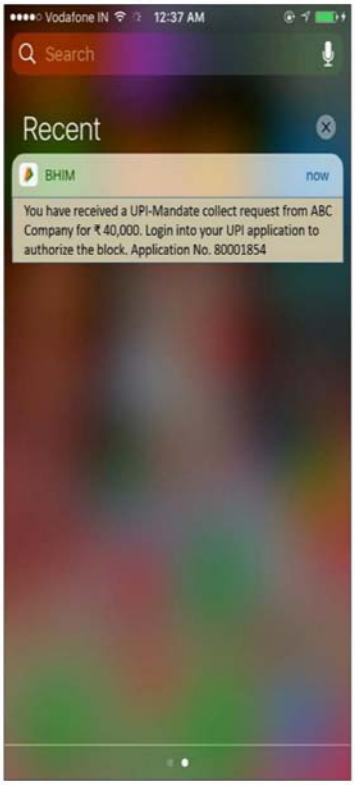
Illustrative SMS



Block request SMS to investor



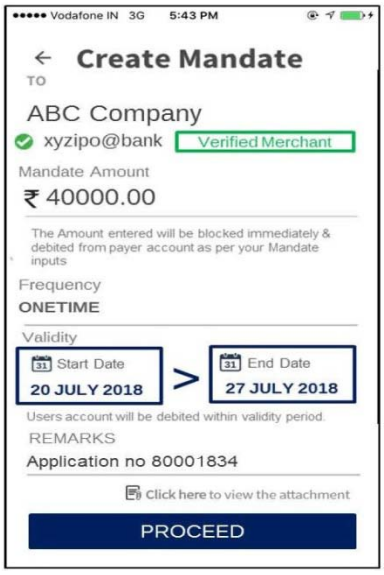
Block request intimation through UPI application



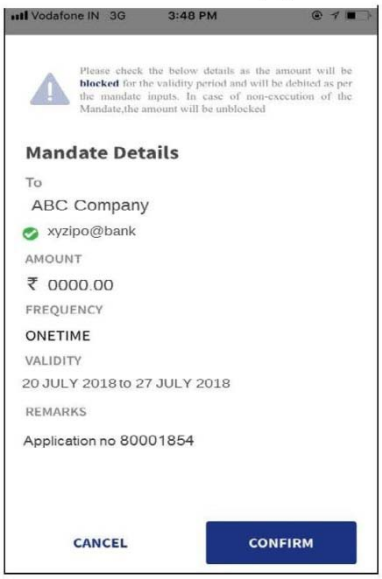
1. Investor UPI application screen

2. Sample of IPO details in attachment

3. Post verification of details above



4. Pre-confirmation page



b) QIB and NII Bidders may submit the Bid cum Application Form either

To SCSBs in physical or:

1) 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

2) in physical mode to any Designated Intermediary.

c) Bidders must specify the Bank Account number, or the UPI ID, as applicable, in the Bid cum Application Form. The Bid cum Application Form submitted by a Bidder and which is accompanied by cash, demand draft, cheque,

money order, postal order or any mode of payment other than blocked amounts in the ASBA Account, may not be accepted.

d) Bidders should note that application made using third party UPI ID or ASBA Bank Account are liable to be rejected;

e) Bidders shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the ASBA account.

f) Bidders should submit Bid cum Application Form only at the Bidding Centers, i.e. to the respective member of the Syndicate at the Specified Locations. The SCSBs, the Registered Broker, at the Broker Centres, the RTA at the Designated CRTA Locations or CDP at the Designated CDP Locations.

g) Bidders bidding through Designated Intermediaries other than a SCSB, should note that ASBA Application Forms submitted to such Designated Intermediary 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 such Designated Intermediary, to deposit ASBA 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 (not being a RII who has opted for the UPI mechanism and provided a UPI ID with the Bid cum Application Form) 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. For details regarding blocking of Bid Amount for RIIs who have provided a UPI ID with the Application Form please refer to paragraph 4.1.7.4.

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.

4.1.7.3 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 or the Sponsor Bank, as the case may be, along with instructions to unblock the relevant ASBA 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 ASBA account to the Public Issue Account, for each Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, (iv) the amount to be unblocked, if any in case of partial allotments and (v) details of rejected ASBA Bids, if any, along with reasons for rejection and details of withdrawn or unsuccessful Bids, if any, to enable the SCSBs or the Sponsor Bank, as the case may be, to unblock the respective ASBA accounts.

b) On the basis of instructions from the Registrar to the Issue, the SCSBs or the Sponsor Bank, as the case may be 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 or to the Sponsor Bank to revoke the mandate and, as the case may be, to unblock the Bid Amount in the relevant Account within four Working Days of the Bid/ Issue Closing Date.

4.1.7.4. Additional Payment Instructions for RIIs bidding through Designated Intermediaries (other than SCSBs) using the UPI mechanism

a) Before submission of the application form with the Designated Intermediary (other than SCSBs), an RII shall download the mobile application, associated with the UPI ID linked bank account, for UPI and create a UPI ID (xyz@bankname) of not more than 45 characters with its bank and link it to his/ her bank account where the funds equivalent to the application amount is available.

b) RIIs shall ensure that the bank, with which it has its bank account, where the funds equivalent to the application amount is available for blocking has been notified as Issuer Banks for UPI. A list of such banks is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40.

c) RIIs shall mention his / her UPI ID along with the bid details in the Bid cum Application Form in capital letters and submit the Bid cum Application Form to any of the Designated Intermediaries (other than SCSBs). It is clarified that if an RII submits a third party UPI ID instead of his/her own UPI ID in the Bid cum Application Form, the application is liable to be rejected.

d) The Designated Intermediary (other than SCSB) upon receipt of the Bid cum Application Form will upload the bid details along with UPI ID in the stock exchange bidding platform.

e) Once the bid has been entered into the Stock Exchange bidding platform, the stock exchange will validate the PAN and Demat Account details of the RII with the Depository. The Depository will validate the aforesaid details on a real time basis and send a response to the stock exchange which will be shared by the stock exchange with the respective Designated Intermediary through its bidding platform, for corrections, if any.

f) Once the bid details have been validated by the Depository, the stock exchange will, on a continuous basis, electronically share the bid details along with the UPI ID of the concerned RII with the Sponsor Bank appointed by the Issuer.

g) The Sponsor Bank will validate the UPI ID of the RII before initiating the Mandate request.

h) The Sponsor Bank after validating the UPI ID will initiate a UPI Mandate Request for valid UPI ID on the RII which will be electronically received by the RII as an SMS / intimation on his / her mobile number / mobile app associated with the UPI ID linked account. The RII shall ensure that the details of the Bid are correct by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an RII may be deemed to have verified the attachment containing the application details of the RII in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form and subsequent debit in case of allotment.

i) Upon successful validation of the block request by the RII, the said information would be electronically received by the RII's bank, where the funds, equivalent to the application amount would get blocked in the ASBA Account of the RII. Intimation regarding confirmation of such blocking of funds in the ASBA Account of the RII would also be received by the RII. Information on the block status request would be shared with the Sponsor Bank which in turn would share it with the stock exchange which in turn would share it with the Registrar in the form of a file for the purpose of reconciliation and display it on the stock exchange bidding platform for the information of the Designated Intermediary.

j) RIIs may continue to modify or withdraw the Bid till the closure of the Bidding Period. For each modification of the Bid, the RII will submit a revised Bid and will receive a UPI Mandate Request from the Sponsor Bank to be validated as per the process indicated above.

k) Post closure of the Offer, the stock exchange will share the Bid details with the Registrar along with the final file received from the Sponsor Bank containing status of blocked funds or otherwise, along with the ASBA Account details with respect to applications made by RIIs using UPI ID.

4.1.7.5 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 their ASBA Account for 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) 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 or using the UPI to the Sponsor Bank, 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.

c) 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 or number 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, unblocking of funds, 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 Syndicate Member ASBA Bids, the Applicants should contact the relevant Syndicate Member.

4) In case of queries relating to uploading of Bids by a Designated Intermediary, the Applicants should contact the relevant Designated Intermediary.

5) In case of queries relating to uploading of Bids through UPI mechanism, the Applicants should contact the Designated Intermediary.

6) Applicant may contact the 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 along with the acknowledgment slip from Designated Intermediary; or

3) Bids, ASBA Account number or the UPI ID (for RIIs who make the payment of Bid Amount through the UPI mechanism) linked to the ASBA Account where the Bid Amount was blocked.

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. It is clarified that RIIs whose original Bid is made using the UPI mechanism can make revision(s) to their Bid using the UPI mechanism only, whereby each time the Sponsor Bank will initiate a new UPI Mandate Request. Bidders /Applicants are advised to retain copies of the blank Revision Form and the Bid(s) must be made only in such Revision Form or copies thereof.

A sample revision form is reproduced below:

COMMON BID REVISION FORM

XYZ LIMITED - INITIAL PUBLIC OFFER - R

Registered Office: xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx Tel: xxxxxxxxxxxxxx Fax: xxxxxxxxxxxxxxxxxxxx
Corporate Office: xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx Tel: +xxxxxxxxxxxxxxxxxxx Fax: xxxxxxxxxxxxxxxxxxxx
Contact Person: xxxxxxxxxxxxxxxxxxx Fax: xxxxxxxxxxxxxxxxxxx E-mail:xxxxxxxxxxxxxxxxxxx Website: xxxxxxxxxxxxxxxxxxx
Corporate Identity Number: xxxxxxxxxxxxxxxxxx

FOR RESIDENT INDIAN INVESTORS, INCLUDING RESIDENT QIBS, NON-INSTITUTIONAL BIDDERS, RETAIL INDIVIDUAL BIDDERS AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

LOGO

To,
The Board of Directors
XYZ LIMITED

100% BOOK BUILT OFFER
ISIN : XXXXXXXXX

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	REGISTERED BROKER / SCSB / CDP / RTA STAMP & CODE
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	**SCSB BRANCH STAMP & CODE**
BANK BRANCH SERIAL NO.	**SCSB SERIAL NO.**

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr. /Ms./M/s.

Address

Email

Tel. No. (with STD code) / Mobile

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

PLEASE CHANGE MY BID

4. FROM (AS PER LAST BID OR REVISION)

Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (In Figures) 8 7 6 5 4 3 2 1	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures Only) Bid Price 3 2 1	Retail Discount 3 2 1	Net Price 3 2 1	"Cut-off" (Please ✓ tick)
Option 1					☐
(OR) Option 2					☐
(OR) Option 3					☐

OLD BID

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) 8 7 6 5 4 3 2 1	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures Only) Bid Price 3 2 1	Retail Discount 3 2 1	Net Price 3 2 1	"Cut-off" (Please ✓ tick)
Option 1					☐
(OR) Option 2					☐
(OR) Option 3					☐

REVISED BID

6. PAYMENT DETAILS [IN CAPITAL LETTERS] — **PAYMENT OPTION : FULL PAYMENT ☐ PART PAYMENT ☐**

Additional Amount Blocked (₹ in figures) (₹ in words)

ASBA
Bank A/c No.
Bank Name & Branch
OR
UPI Id (Maximum 45 characters)

I/WE (ON BEHALF OF JOINT BIDDERS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID REVISION FORM AND THE ATTACHED ABRIDGED 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 BIDDERS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID REVISION FORM GIVEN OVERLEAF.

7A. SIGNATURE OF SOLE/ FIRST BIDDER	7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS)	SYNDICATE MEMBER / REGISTERED BROKER / SCSB / CDP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
Date : _____, 2018	I/We authorise the SCSB to do all acts as are necessary to make the application in the Offer. 1) 2) 3)	

TEAR HERE

LOGO

XYZ LIMITED
BID REVISION FORM - INITIAL PUBLIC OFFER - R

Acknowledgement Slip for Syndicate Member/ Registered Broker/SCSB/CDP/RTA

Bid cum Application Form No.

PAN of Sole / First Bidder

DPID / CLID

Additional Amount Blocked (₹) | ASBA Bank A/c No./UPI Id

Bank Name & Branch

Stamp & Signature of SCSB Branch

Received from Mr./Ms./M/s.

Telephone / Mobile | Email

REVISED BID

TEAR HERE

XYZ LIMITED- BID REVISION FORM - INITIAL PUBLIC OFFER - R

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Additional Amount Blocked (₹)			

Stamp & Signature of Syndicate Member / Registered Broker / SCSB / CDP / RTA

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

ASBA Bank A/c No./UPI Id

Bank Name & Branch

Bid cum Application Form No.

Important Note : Application made using third party UPI Id Or ASBA Bank A/c are liable to be rejected.

XYZ LIMITED

TEAR HERE - PLEASE FILL IN BLOCK LETTERS - TEAR HERE

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

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 an 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 Designated Intermediaries 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 of revision of Bids by Employees, such Bidders/Applicants should ensure that the total Bid subsequent to revision, does not exceed ₹ 200,000.

e) 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.

f) In case of a downward revision in the Price Band, RIIs and Bids by Employees under the Reservation Portion, who have bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of Bidding will be unblocked.

4.2.3 FIELD 6: PAYMENT DETAILS

a) All Applicants are required to authorize blocking of the full Bid Amount (less Discount, if applicable) at the time of submitting 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 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 ₹ 1,00,000 to ₹ 2,00,000. 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.

For details regarding the procedures to be followed by the Registrar to detect multiple applications. Applicants should refer to paragraphs 4.1.4.2(b) and 4.1.4.2(c).

4.3.3 FIELD NUMBER 5 : CATEGORY OF APPLICANTS

a) The categories of applicants identified as per the SEBI ICDR Regulations for the purpose of Bidding, allocation and Allotment in the Issue are RIIs, individual applicants other than RII's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).

b) An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations. For details of any reservations made in the Issue, applicants may refer to the Prospectus.

c) The SEBI ICDR Regulations specify the allocation or Allotment that may be made to various categories of applicants in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation applicant may refer to the Prospectus.

4.3.4 FIELD NUMBER 6: INVESTOR STATUS

Applicants should refer to instructions contained in paragraphs 4.1.6.

4.3.5 FIELD 7: PAYMENT DETAILS

a) Applicants are required to enter either the ASBA Bank account details or the UPI ID in this field. In case the Applicants doesn't provide any of the ASBA Bank account details or the UPI ID then the application would be rejected. For application submitted to Designated Intermediaries (other than SCSBs), Bidder providing both the ASBA Bank account details as well as the UPI ID, the UPI ID will be considered for processing of the application.

b) All Applicants (other than Anchor Investors) are required to make use ASBA for applying in the Issue

c) RIIs applying through Designated Intermediaries (other than SCSBs) may make use of the UPI mechanism for applying in the Issue.

d) Application Amount cannot be paid in cash, cheques or demand drafts through money order, cheque or through postal order or through stock invest.

4.3.5.1 Payment instructions for Applicants

Applicants should refer to instructions contained in paragraphs 4.1.7.2

4.3.5.2 Unblocking of ASBA Account

Applicants should refer to instructions contained in paragraph 4.1.7.3.

4.3.5.1 Additional Payment Instructions for RIIs bidding through Designated Intermediaries (other than SCSBs) using the UPI mechanism

Applicants should refer to instructions contained in paragraph 4.1.7.4

4.3.5.4 Discount (if applicable)

Applicants should refer to instructions contained in paragraph 4.1.7.5

4.3.6 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS & ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

Applicants should refer to instructions contained in paragraphs 4.1.8 & 4.1.9.

4.4 SUBMISSION OF BID CUM APPLICATION FORM/REVISION FORM/APPLICATION FORM

4.4.1 Bidders/Applicants may submit completed Bid cum application form/Revision Form in the following manner:-

Mode of Application	Submission of Bid cum Application Form
Anchor Investors Application Form	• To the Book Running Lead Manager at the Specified Locations mentioned in the Bid cum Application Form
All Applications (other than Anchor Investors)	• To members of the Syndicate in the Specified Locations or Registered Brokers at the Broker Centres or the CRTAs at the Designated RTA Location or the CDPs at the CDP Location • To the Designated Branches of the SCSBs where the ASBA Account is maintained

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 XIII of SEBI ICDR Regulations. The Issue Price is finalised after the Bid/ Issue Closing Date. Valid Bids received at or above the Issue Price are considered for allocation in the Issue, subject to applicable regulations and other terms and conditions.

5.1 SUBMISSION OF BIDS

a) During the Bid/ Issue Period, 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 or the Sponsor Bank, as applicable, 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 would be considered for allocation/Allotment. In UPI Phase I, 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, 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 or the Sponsor Bank, as applicable, for unblocking the ASBA Account upon or after the finalization of basis of Allotment. 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 (including UP ID, as applicable) 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 or the Sponsor Banks, as applicable, 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 of Bidders (other than Anchor Investors) accompanied by cash, draft, cheques, money order or any other mode of payment other than amounts blocked in the Bidders' ASBA Account;

c) Bids/Applications by OCBs; and

d) In case of partnership firms, Bid/Application for Equity Shares made in the name of the firm. However, a limited liability partnership can apply in its own name;

e) In case of Bids/Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents not being submitted along with the Bid cum application form/Application Form;

f) Bids/Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;

g) Bids/Applications by any person outside India if not in compliance with applicable foreign and Indian laws;

h) DP ID and Client ID not mentioned in the Bid cum Application Form/Application Form;

i) ASBA Account number or UPI ID not mentioned or incorrectly mentioned in the Bid cum Application Form/Application Form;

j) 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;

k) In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;

l) Bids/Applications for lower number of Equity Shares than the minimum specified for that category of investors;

m) Bids/Applications at a price less than the Floor Price and Bids/Applications at a price more than the Cap Price;

n) Bids/Applications at Cut-off Price by NIIs and QIBs;

o) 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;

p) Bids/Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;

q) Submission of Bid cum Application Forms/Application Form using third party UPI ID or ASBA Bank Account;

r) Submission of more than one Bid cum Application Form per UPI ID or ASBA Account mentioned in the Bid Cum Application Form by RIIs bidding through Designated Intermediaries (except for RIIs applying as Retail Individual Shareholder also)

s) In case of joint Bids, submission of Bid cum Application Forms/Application Form using second or third party's UPI ID or ASBA Bank Account;

t) Bids/Applications for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the Prospectus;

u) Multiple Bids/Applications as defined in this GID and the Prospectus;

v) 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;

w) Bank account mentioned in the Bid cum Application Form (for Bidders applying through the non UPI mechanism) may not be an account maintained by SCSB. Inadequate funds in the ASBA 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 ASBA account;

x) In case of Bids by RIIs (applying through the UPI mechanism), the UPI ID mentioned in the Bid cum Application Form is linked to a third party bank account;

y) In case of Bids by RIIs (applying through the UPI mechanism), the UPI ID is not mentioned in the Bid cum Application Form;

z) 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;

aa) Where no confirmation is received from SCSB or the Sponsor Bank, as applicable, for blocking of funds;

bb) Bids/Applications by Bidders (other than Anchor Investors) not submitted through ASBA process;

cc) Bids/Applications submitted to Designated Intermediaries at locations other than the Bidding Centers or, 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;

dd) Bids/Applications not uploaded on the terminals of the Stock Exchanges;

ee) 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;

ff) The UPI Mandate is not approved by Retail Individual Investor; and

gg) The original Bid/Application is made using the UPI mechanism and revision(s) to the Bid/Application is made using ASBA either physically or online through the SCSB, and vice- versa.

hh) Applicants are required to enter either the ASBA Bank account details or the UPI ID in the Bid cum Application Form. In case the Bidder doesn't provide any of the ASBA Bank account details or the UPI ID then the application would be rejected. For application submitted to Designated Intermediaries (other than SCSBs), Bidder providing both the ASBA Bank account details as well as the UPI ID, the UPI ID will be considered for processing of the application.

ii) RIIs shall ensure that the bank, with which it has its bank account, where the funds equivalent to the application amount is available for blocking has been notified as Issuer Banks for UPI. A list of such banks is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40

jj) In case of revision of Bids by RII Bidders, if UPI Mandate Request for the revised Bid is not approved, the Application is liable to be rejected.

5.6 BASIS OF ALLOCATION

a) The SEBI ICDR Regulations specify the allocation or Allotment that may be made to various categories of Applicants in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the Prospectus. For details in relation to allocation, the Applicant may refer to the Prospectus.

b) Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLMs and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.

c) In case of under subscription in the Net Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Net 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.

ASBA Applicants may submit an Application Form either in physical form to 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 ASBA account specified in the Application Form only. 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 M 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 Bank 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 or the Sponsor Bank, as applicable, 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 resolutions and undertake 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.

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.

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. This is further subject to the compliance with Rule 19(2) (b) of the SCRR. 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 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 prescribed time period under applicable laws, be jointly and severally liable to repay the money, with interest at the rate of 15% per annum in accordance with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended

8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be Allotted may not be less than 1,000 failing which the entire application monies may be refunded forthwith.

8.2.4 IN CASE OF ISSUES MADE UNDER COMPULSORY BOOK BUILDING

In case an Issuer not eligible under Regulation 26(1) of the SEBI ICDR Regulations comes for an Issue under Regulation 26(2) of SEBI (ICDR) Regulations, but fails to Allot at least 75% of the Net Issue to QIBs, in such case full subscription money is to be refunded.

8.3 MODE OF REFUND

a) In case of ASBA Bids/Applications: Within six Working Days of the Bid/ Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs or in case of Bids by RIIs applying through the UPI mechanism to the Sponsor Bank to revoke the mandate and for unblocking the amount for 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.

d) In the case of Bids from Eligible NRI Bidders and FPIs, refunds, if any, may generally be payable in Indian Rupees only and net of bank charges and/or commission. If so desired, such payments in Indian Rupees may be converted into U.S. Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and may be dispatched by registered post. The Company may not be responsible for loss, if any, incurred by the Bidder/Applicant on account of conversion of foreign currency.

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) NACH — National Automated Clearing House is a consolidated system of ECS. Payment of refunds would be done through NACH for Anchor Investors having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including Magnetic Ink Character Recognition (MICR) code wherever applicable from the depository. The payment of refunds through NACH is mandatory for Anchor Investors having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS;

b) 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;

c) 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;

d) RTGS - Anchor Investors having a bank account with a bank branch which is RTGS enabled as per the information available on the website of RBI and whose refund amount exceeds ₹ 0.2 million, shall be eligible to receive refund through RTGS, provided the Demographic Details downloaded from the Depositories contain the nine digit MICR code of the Anchor Investor's bank which can be mapped with the RBI data to obtain the corresponding IFSC. Charges, if any, levied by the Anchor Escrow Bank for the same would be borne by our Company. Charges, if any, levied by the Anchor Investor's bank receiving the credit would be borne by the Anchor Investor.

Please note that refunds through the 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 if refund orders, as applicable, are not dispatched or if, in a case 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 Bidders/Applicants, other than Anchor Investors, to make a Bid and authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB and will include amounts blocked by RIIs using the UPI mechanism
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB or the account of the RII Bidder blocked upon acceptance of UPI Mandate Request by RIIs using the UPI Mechanism to the extent of the Bid Amount of the Bidder/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/Application	An indication to make an Issue during the Bid/ Issue Period by a prospective Bidder pursuant to submission of Bid cum Application Form or during the Anchor Investor Issue Period by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price within the Price Band, including all revisions and modifications there to. In case of issues undertaken through the fixed price process, all references to a Bid should be construed to mean an Application
Bid Amount/ Application 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

Term	Description
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/ Application Form	An application form, whether physical or electronic, used by Bidders/Applicants, other than Anchor Investors, to make a Bid/Application 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/ Book Running Lead Manager / 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
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

Term	Description
	Lead Manager, 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 http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
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 (www.bseindia.com and www.nseindia.com)
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 (www.bseindia.com and www.nseindia.com)
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 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

Term	Description
	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, 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
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
NACH	National Automated Clearing House which is a consolidated system of ECS. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including Magnetic Ink Character Recognition (MICR) code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS
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

Term	Description
NRO Account	Non-Resident Ordinary Account
Net Issue	The Issue less reservation portion
Non-Institutional Investors or NIIs	All Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporates or foreign individuals and FPIs which are Category III foreign portfolio investors, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Category	The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the RHP/Prospectus and the Bid cum Application Form
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FPIs and FVCIs registered with SEBI
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
Offer	Public issue of Equity Shares of the Issuer including the Offer for Sale if applicable
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
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 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, 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

Term	Description
	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 reservation portion
Reservation Portion	The portion of the Issue reserved for such category of eligible Applicants as provided under the SEBI ICDR Regulations, 2009
Retail Individual Investors/RIIs	Investors who applies or bids for a value of not more than ₹ 200,000 (including HUFs applying through their karta and eligible NRIs and does not include NRIs other than Eligible NRIs.
Retail Individual Shareholders	Shareholders of a listed Issuer who applies or bids for a value of not more than ₹ 200,000.
Retail Category	The portion of the Issue being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum Bid Lot, subject to availability in RII category and the remaining shares to be Allotted on proportionate basis.
Revision Form	The form used by the Bidders, including ASBA Bidders, in an issue through Book Building Process to modify the quantity of Equity Shares and/or bid price indicated therein in any of their Bid cum Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
SEBI ICDR Regulations, 2018	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018. The Prospectus has been prepared in accordance with provisions and disclosure requirements of the SEBI ICDR Regulations except that the issue procedure including in relation to Bid/Offer Period, submission of Application Forms, Payment of Application Amount, Allocation, Allotment, Refund of Application Amount, if any and listing of the Equity Shares as described in the section "*Issue Procedure* including "Part B- General Information Document for Investing in Public Issues") has been prepared in accordance with SEBI ICDR Regulations, 2018.
Self Certified Syndicate Bank(s) or SCSB(s)	The banks registered with the SEBI which offers the facility of ASBA and the list of which is available on the website of the http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes
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 http://www.sebi.gov.in/ and updated from time to time
Sponsor Bank	The Banker to the Offer registered with SEBI which is appointed by the Issuer/Offer or to act as a conduit between the Stock Exchanges and the National Payments Corporation of India in order to push the mandate collect requests and / or payment instructions of the RIIs into the UPI
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

Term	Description
Syndicate	The Book Running Lead Manager 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 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
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI).
UPI Mandate Request	A request (intimating the RII by way of a notification on the UPI application and by way of a SMS directing the RII to such UPI application) to the RII initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment
UPI PIN	Password to authenticate UPI transaction
Working Day	All days on which commercial banks in Mumbai are open for business. In respect of announcement of Price Band and Bid / Offer Period, Working Day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. In respect of the time period between the Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, Working Day shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per circulars issued by SEBI.

RESTRICTION ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. 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 consolidates 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's are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them.

SECTION IX – 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 February 25, 2017.

COPIES OF MEMORANDUM AND ARTICLES TO BE FURNISHED BY THE COMPANY

3. Pursuant to Section 17 of the Act, Company shall, on being so required by a member, send to him within 7 (seven) days of the requirement and subject to the payment of a fee of Rs. 100/- or such other fee as may be specified in the Rules, a copy of each of the following documents, as in force for the time being:

   a. The Memorandum;

   b. The Articles, if any;

   c. Every other agreement and every resolution referred to in Section 117(1), of the Act, if and in so far as they have not been embodied in the Memorandum or Articles.

CAPITAL AND SHARES

4. The Authorized Share Capital of the Company is as per clause V of the Memorandum of Association of the Company with all rights to the company to alter the same in any way it thinks fit.

5. The Board may, from time to time, with the sanction of the Company in a general meeting by way of Ordinary Resolution, increase the share capital by such sum to be divided into shares of such amounts as the resolution shall prescribe.

6. The shares capital shall be distinguished by its appropriate number provided that nothing in this clause shall apply to the shares held with a depository.

SHARES AT THE DISPOSAL OF THE DIRECTORS

7. Subject to the provisions of Section 62 of the Act and these Articles, the share capital of Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in proportion and on such terms and conditions and either at a premium or at par or(subject to the compliance with the provision of section 53 of the Act) at a discount and at such time as they may from time to time think fit and with the sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the Company in General Meeting.

FURTHER ISSUE OF SHARES

8. (1) Where at any time the company proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered -

   (a) to persons who at the date of the offer are holders of equity shares of the company in proportion, as nearly as circumstances admit to the paid-up share capital on those shares by sending a letter of offer subject to

the following conditions, namely:-

(i) the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days and not exceeding thirty days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;

(ii) unless the articles of the company otherwise provide, the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; and the notice referred to in clause (i) shall contain a statement of this right;

(iii) after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose them of in such manner which is not disadvantageous to the shareholders and the company;

(b) to employees under a scheme of employees' stock option, subject to special resolution passed by company and subject to such conditions as may be determined by Central Government; or

(c) to any persons, if it is authorized by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be determined by central government.

(2) The notice referred to in sub-clause (i) of clause (1) (a) shall be dispatched through registered post or speed post or through electronic mode to all the existing shareholders at least three days before the opening of the issue.

(3) Nothing in this section shall apply to the increase of the subscribed capital of a company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the company to convert such debentures or loans into shares in the company. The terms of issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the company in general meeting.

POWER TO OFFER SHARES/OPTIONS TO ACQUIRE SHARES

9. (i) Without prejudice to the generality of the powers of the Board under any other Article of these Articles of Association, the Board or any Committee thereof duly constituted may, subject to the applicable provisions of the Act, rules notified there under and any other applicable laws, rules and regulations, at any point of time, offer existing or further Shares (consequent to increase of share capital) of the Company, or options to acquire such Shares (consequent to increase of share capital) of the Company, or options to acquire such Shares at any point of time, whether such options are granted by way of warrants or in any other manner (subject to such consents and permissions as may be required) to its employees, including Directors (whether whole-time or not), whether at par, at discount, in case of shares issued as sweat equity shares as per section 54 of the Act or at a premium, for cash or for consideration other than cash, or any combination thereof as may be permitted by law for the time being in force.

(ii) In addition to the powers of the Board under Article 9(i), the Board may also allot the Shares referred to in Article 9(i) to any trust, whose principal objects would inter alia include further transferring such Shares to the Company's employees including by way of options, as referred to in Article 9(i) in accordance with the directions of the Board or any Committee thereof duly constituted for this purpose. The Board may make such provision of moneys for the purposes of such trust, as it deems fit.

The Board, or any Committee thereof duly authorized for this purpose, may do all such acts, deeds, things, etc. as may be necessary or expedient for the purposes of achieving the objectives set out in Articles 9(i) and (ii) above.

REDEEMABLE PREFERENCE SHARES

10. Subject to the provisions of Section 55 of the Act, the Company shall have the power to issue preference shares which are or at the option of the Company, are liable to be redeemed and the resolution authorizing such issues shall prescribe the manners, terms and conditions of redemption.

PROVISIONS APPLICABLE IN CASE OF REDEEMABLE SHARES

11. On the issue of redeemable preference shares under the provisions of Article 10 hereof, the following provisions shall take effect.

(a) No such shares shall be redeemed except out of the profits of the company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purposes of such redemption;

(b) No such shares shall be redeemed unless they are fully paid;

(c) where such shares are proposed to be redeemed out of the profits of the company, there shall, out of such profits, be transferred, a sum equal to the nominal amount of the shares to be redeemed, to a reserve, to be called the Capital Redemption Reserve Account and the provisions of this Act relating to reduction of share capital of a company shall apply as if the Capital Redemption Reserve Account were paid-up share capital of the company.

NEW CAPITAL SAME AS ORIGINAL CAPITAL

12. Except so far as otherwise provided by the conditions of issue or by these Articles any capital raised by the creation of new shares shall be considered part of the initial capital and shall be subject to the provisions herein contained with reference to the payment of calls and installments; transfer and transmission, forfeiture, lien, surrender, voting and otherwise.

RESTRICTIONS ON PURCHASE BY COMPANY OR GIVING OF LOANS BY IT FOR PURCHASE OF ITS SHARES

13. (1) The company shall not have power to buy its own shares unless the consequent reduction of share capital is effected in accordance with provisions of the Companies Act, 2013 or other applicable provisions (if any) of the Act as applicable at the time of application.

This Article is not to delegate any power which the Company would have if it were omitted.

(2) The company shall not give, whether directly or indirectly and whether by means of a loan, guarantee the provision of security or otherwise, any financial assistance for the purpose of, or in connection with, a purchase or subscription made or to be made, by any person of or for any shares in the company or in its holding company.

(3) Nothing in sub-clause (2) shall apply to –

(a) the company in accordance with any scheme approved by company through special resolution and in accordance with such requirements as may be determined by Central Government, for the purchase of, or subscription for, fully paid-up shares in the company or its holding company, if the purchase of, or the subscription for, the shares held by trustees for the benefit of the employees or such shares held by the employee of the company;

(b) the giving of loans by a company to persons in the employment of the company other than its directors or key managerial personnel, for an amount not exceeding their salary or wages for a period of six months with a view to enabling them to purchase or subscribe for fully paid-up shares in the company or its holding company to be held by them by way of beneficial ownership:

Provided that disclosures in respect of voting rights not exercised directly by the employees in respect of shares to which the scheme relates shall be made in the Board's Report in such manner as may be determined by Central Government.

REDUCTION OF CAPITAL

14. The Company may, subject to the provisions of the Companies Act, 2013 or other applicable provisions (if any) of the Act, as applicable at the time of application from time to time by special resolution, reduce its capital and any capital redemption reserve account or any share premium account in any manner for the time being authorized by law and in particular, capital may be paid off on the footing that it may be called up again or otherwise.

CONSOLIDATION AND DIVISION OF CAPITAL

15. The Company may in general meeting alter the conditions of its Memorandum of Association as follows:

(a) Consolidate and divide all or any of its share capital into shares of a larger amount than its existing shares but no consolidation and division which results in changes in the voting percentage of shareholders shall take effect unless it is approved by the Tribunal on an application made in the prescribed manner;

(b) Sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the memorandum, so, however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived;

(c) Cancel shares which at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled. The cancellation of shares in pursuance of this sub-clause, shall not be deemed to be reduction of share capital within the meaning of the Act.

SALE OF FRACTIONAL SHARES

16. If and whenever as a result of issue of new shares of any consolidation or sub-division of shares any share become held by members in fractions, the Board shall, subject to the provisions of the Act and the Articles and to the directions of the Company in General Meeting, if any, sell those shares which members hold in fractions for the best price reasonably obtainable and shall pay and distribute to and amongst the members entitled to such shares in due proportions the net proceeds of the sale thereof. For the purpose of giving effect to any such sale, the Board may authorise any person to transfer the shares and 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 with reference to the sale.

MODIFICATION OF RIGHTS

17. Whenever the capital, by reason of the issue of Preference Shares or otherwise, is divided into classes of shares all or any of the rights and privileges attached to each class may subject to the provisions of the Companies Act, 2013 be modified, commuted, affected or abrogated, or dealt with by Agreement between the Company and any person purporting to contract on behalf of that class, provided such agreement is ratified in writing by holders of at least three-fourths in nominal value of the issued shares of the class or is confirmed by a Special Resolution passed at a separate general meeting of the holders of shares of the class

ISSUE OF FURTHER SHARES ON PARI PASSU BASIS

18. The rights conferred upon the holders of shares of any class issued with preferred or other rights, not unless otherwise expressly provided by the terms of the issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

NO ISSUE WITH DISPROPORTIONATE RIGHTS

19. The Company shall not issue any shares (not being preference shares) which carry voting right or rights in the Company as to dividend, capital or otherwise which are disproportionate to the rights attached to the holders of other shares (not being preference shares).

POWER OF COMPANY TO DEMATERIALIZE AND REMATERIALIZE

(a) **"**Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its existing shares, debentures and other securities and rematerialize its such shares, debentures and other securities held by it with the Depository and/ or offer its fresh shares and debentures and other securities in a dematerialized form pursuant to the Depositories Act, 1996 and the Rules framed there under if any"

DEMATERIALIZATION OF SECURITIES

(b) Either on the Company or on the investor exercising an option to hold his securities with a depository in a dematerialized form, the Company shall enter into an agreement with the depository to enable the investor to dematerialize the Securities, in which event the rights and obligations of the parties concerned shall be governed by the Depositories Act.

INTIMATION TO DEPOSITORY

(c) "Notwithstanding anything contained in this Article, where securities are dealt with in a Depository, the Company shall intimate the details of allotment of securities to Depository immediately on allotment of such Securities."

OPTION FOR INVESTORS

(d) "Every person subscribing to or holding securities of the Company shall have the option to receive security certificates or to hold the securities with a Depository. A beneficial owner of any security can at any time opt out of a Depository, if permitted by law, in the manner provided by the Depositories Act, 1996 and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of securities."

THE COMPANY TO RECOGNIZE UNDER DEPOSITORIES ACT, INTEREST IN THE SECURITIES OTHER THAN THAT OF REGISTERED HOLDER

(e) "The Company or the investor may exercise an option to issue, deal in, hold the securities (including shares) with Depository in electronic form and the certificates in respect thereof shall be, dematerialized in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereto shall be governed by the provisions of the Depositories Act, 1996."

SECURITIES IN DEPOSITORIES AND BENEFICIAL OWNERS

(f) "All Securities held by a Depository shall be dematerialized and be in fungible form. Nothing contained in Sections 89 of the Act shall apply to a Depository in respect of the securities held by it on behalf of the beneficial owners."

RIGHTS OF DEPOSITORIES AND BENEFICIAL OWNERS

(g) (i) Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed

to be the registered owner for the purpose of effecting transfer of ownership of security on behalf of the beneficial owner.

(ii) Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of security on behalf of the beneficial Owner

(iii) Save as otherwise provided in (a) above, the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.

(iv) Every person holding securities of the Company and whose name if entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of the securities which are held by a depository.

DEPOSITORY TO FURNISH INFORMATION

(h) Every Depository shall furnish to the Company information about the transfer of Securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the bye-laws and the Company in that behalf.

SHARES AND CERTIFICATES REGISTER AND INDEX OF MEMBERS

20. The Company shall cause to be kept at its Registered Office or at such other place as may be decided, Register and Index of Members in accordance with Sections 88 and other applicable provisions of the Act and the Depositories Act, 1996 with details of shares held in physical and dematerialized forms in any media as may be permitted by law including in any form of electronic media.

The Register and Index of beneficial owners maintained by a Depository under Section 11 of the Depositories Act, 1996 shall also be deemed to be the Register and Index of Members for the purpose of this Act. The Company shall have the power to keep in any state or country outside India, a Register of Members for the residents in that state or country.

SHARES TO BE NUMBERED PROGRESSIVELY

21. The shares in the capital shall be numbered progressively according to their several denominations and except in the manner herein before mentioned, no share shall be sub-divided.

DIRECTORS MAY ALLOT SHARES FULLY PAID-UP

22. Subject to the provisions of the Act and of these Articles, the Board may allot and issue shares in the capital of the Company as payment or part payment for any property sold or transferred, goods or machinery supplied or for services rendered to the company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid- up shares and if so issued shall be deemed to be fully paid up shares.

APPLICATION OF PREMIUM RECEIVED ON SHARES

23. (1) Where a company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares shall be transferred to a ―securities premium account‖ and the provisions of this Act relating to reduction of share capital of a company shall, except as provided in this article, apply as if the securities premium account were the paid-up share capital of the company.

(2) Notwithstanding anything contained in clause (*1*), the securities premium account may be applied by the

company -

(a) towards the issue of unissued shares of the company to the members of the company as fully paid bonus shares;

(b) in writing off the preliminary expenses of the company;

(c) in writing off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the company;

(d) in providing for the premium payable on the redemption of any redeemable preference shares or of any debentures of the company; or

(e) for the purchase of its own shares or other securities under section 68.

ACCEPTANCE OF SHARES

24. Subject to the provisions of these Articles, any application signed by or on behalf of an applicant for shares in the Company followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these articles and every person who thus or otherwise accept any shares and whose name is on the Register of Members shall, for the purposes of these Articles, be a member, provided that no share shall be applied for or allotted to a minor, insolvent or person of unsound mind.

LIABILITY OF MEMBERS

25. Every member or his heir, executors or administrators shall pay to the Company the proportion of the capital represented by his share or shares which may, for the time being remain unpaid thereon in such amounts, at such time or times and in such manner as the Board of Directors shall, from time to time, in accordance with the Company's regulations require or fix for the payment thereof.

LIMITATION OF TIME FOR ISSUE OF CERTIFICATE

26. The Company shall, unless the conditions of issue otherwise provide, within three months after the allotment of any of its shares or debentures and within one month after the application for the transfer of any such shares or debentures, complete and have ready for delivery the certificates of all shares and debentures allotted or transferred.

Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from to time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the Company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate to all such holder.

ISSUE OF NEW CERTIFICATE IN PLACE OF DEFACED, LOST OR DESTROYED

27. If any certificate be worn out, defaced mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, being given, an a new certificate in

lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every Certificates under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.20/- for each certificate) as the Directors shall prescribe. Provided that no fees shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable in this behalf.

The provisions of this Article shall mutatis mutandis apply to debentures of the Company.

RIGHT TO OBTAIN COPIES OF AND INSPECT TRUST DEED

28. (i) A copy of any Trust Deed for securing any issue of debentures shall be forwarded to the holders of any such debentures or any member of the Company at his request and within seven days of the making thereof on payment not exceeding Rs.10/- (Rupees Ten) per page.

(ii) The Trust Deed referred to in item (i) above also be open to inspection by any member or debenture holder of the Company in the same manner, to the same extent, and on payment of these same fees, as if it were the Register of members of the Company.

JOINT ALLOTTEES OF HOLDERS

29. Any two or more joint allottees or holders of shares shall, for the purpose of Articles, be treated as a single member and the certificate for any share, which may be the subject of joint ownership, may be delivered to any one of such joint owners on behalf of all of them.

COMPANY NOT BOUND TO RECOGNISE ANY INTEREST IN SHARE OTHER THAN THAT OF REGISTERED HOLDER

30. (i) The Company shall not be bound to recognize any equitable, contingent, future or partial interest in any share or (except only as is by these presents, otherwise expressly provided) any right in respect of a share other than an absolute right there to, in accordance with these presents in the person from time to time registered as the holder thereof, but the Board shall be at liberty at its sole discretion to register any share in the joint names of two or more persons or survivors of them.

(ii) Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or as by Law required) be bound to recognize any benami trust or equitable, contingent, future, partial or other claim or claims or right to or interest in such share on the part of any other person whether or not it shall have express or implied notice thereof.

WHO MAY HOLD SHARES

31. Shares may be registered in the name of an incorporated Company or other body corporate but not in the name of a minor or in the name of a person of unsound mind.

32. The Directors shall have the power to offer, issue and allot Equity Shares in or Debentures (whether fully/partly convertible or not into Equity Shares) of the Company with or without Equity Warrants to such of the Officers, Employees, Workers of the Company or of its Subsidiary and / or Associate Companies or Managing and Whole Time Directors of the Company (hereinafter in this Article collectively referred to as "the Employees") as may be selected by them or by the trustees of such trust as may be set up for the benefit of the Employees in accordance with the terms and conditions of the Scheme, trust plan or proposal that may be formulated, created, instituted or set up by the Board of Directors or the Committee thereof in that behalf on such terms and conditions as the Board may in its discretion deem fit.

SWEAT EQUITY

33. Subject to the provisions of the Act (including any statutory modification or re-enactment thereof, for the time being in force), shares of the Company may be issued at a discount or for consideration other than cash to Directors or employees who provide know-how to the Company or create an intellectual property right or other value addition.

DECLARATIONS IN RESPECT OF BENEFICIAL INTEREST IN ANY SHARES

34. (*1*) In pursuance of Section 89 of the Act, where the name of a person is entered in the register of members of a company as the holder of shares in that company but who does not hold the beneficial interest in such shares, such person shall make a declaration (within such time and in such form as may be determined by Central Govt.) to the company specifying the name and other particulars of the person who holds the beneficial interest in such shares.

(2) Every person who holds or acquires a beneficial interest in share of the company shall make a declaration to the company specifying the nature of his interest, particulars of the person in whose name the shares stand registered in the books of the company and such other particulars (as may be determined by Central Govt.)

(3) Where any change occurs in the beneficial interest in such shares, the person referred to in clause (1) and the beneficial owner specified in clause (2) shall, within a period of thirty days from the date of such change, make a declaration to the company in such form and containing such particulars (as may be determined by Central Govt.)

(4) The Company has be bound to follows the rules as may be made by the Central Government to provide for the manner of holding and disclosing beneficial interest and beneficial ownership under this section.

(5) Where any declaration under this article is made to a company, the company shall make a note of such declaration in the register concerned and shall file, within thirty days from the date of receipt of declaration by it, a return in the prescribed form with the Registrar in respect of such declaration with such fees or additional fees as may be determined by Central Government, within the time specified under section 403.

(6) No right in relation to any share in respect of which a declaration is required to be made under this article but not made by the beneficial owner, shall be enforceable by him or by any person claiming through him.

(7) Nothing in this article shall be deemed to prejudice the obligation of a company to pay dividend to its members under this Act and the said obligation shall, on such payment, stand discharged.

FUNDS OF COMPANY NOT TO BE APPLIED IN PURCHASE OF SHARES OF THE COMPANY

35. No funds of the Company shall except as provided by Section 67 of the Act, be employed in the purchase of its own shares, unless the consequent reduction of capital is effected and sanction in pursuance of provisions of the Companies Act, 2013 as may be applicable at the time of application and these Articles or in giving either directly or indirectly and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any Share in the Company in its holding Company.

ISSUE OF SHARES WITHOUT VOTING RIGHTS

36. In the event it is permitted by law to issue shares without voting rights attached to them, the Directors may issue such share upon such terms and conditions and with such rights and privileges annexed thereto as thought fit and as may be permitted by law.

SECTION 45 OF ACT NOT TO APPLY

37. Notwithstanding anything to the contrary contained in the Articles,

a. Section 45 of the Act shall not apply to the Shares held with a Depository;

TRUST NOT RECOGNIZED

38. Except as ordered, by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognize, even when having notice thereof, any equitable, contingent, future or partial interest in any Share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a Share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as holder thereof but the Board shall be at liberty at their sole discretion to register any Share in the joint names of any two or more persons (but not exceeding 4 persons) or the survivor or survivors of them.

Shares may be registered in the name of an incorporated Company or other body corporate but not in the name of a minor or of a person of unsound mind (except in case where they are fully paid) or in the name of any firm or partnership.

REGISTRATION OF CHARGES

39. The provisions of the Act relating to registration of charges shall be complied with.

In case of a charge created out of India and comprising solely property situated outside India, the provisions of Section 77 of the Act shall also be complied with.

Where a charge is created in India but comprised property outside India, the instrument, creating or purporting to create the charge under Section 77 of the Act or a copy thereof verified in the prescribed manner, may be filed for registration, notwithstanding that further proceedings may be necessary to make the charge valid or effectual according to the law of the country in which the property is situated, as provided by Section 77 of the Act.

Where any charge on any property of the Company required to be registered to be registered under Section 77 of the Act has been so registered, any person acquiring such property or any part thereof or any share or interest therein shall be deemed to have notice of the charge as from the date of such registration.

Any creditors or member of the Company and any other person shall have the right to inspect copies of instruments creating charges and the Company's Register of Charges in accordance with and subject to the provisions of Section 85 of the Act.

UNDERWRITING AND BROKERAGE COMMISSION MAY BE PAID

40. The Company may, subject to the provisions of Section 40 and other applicable provisions, if any, of the Act any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares in or debentures of the Company. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or debentures, or partly in the one way and partly in the other subject to maximum of 5% of the share price or 2.5% in case of debenture, of the issued share or debenture price, as the case may be.

BROKERAGE MAY BE PAID

41. The Company may pay a reasonable sum for brokerage on any issue of shares and debentures.

CALLS ON SHARES
DIRECTORS MAY MAKE CALLS

42. The Board of Directors may from time to time by a resolution passed at meeting of the Board (and not by circular

resolution) make such call as it may think fit upon the members in respect of all moneys unpaid on the shares held by them respectively (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 a fixed time and each member shall pay the amount of every call so made on him to the persons and at the times and place appointed by the Board of Directors. A call may be made payable by installments.

CALLS ON SHARES OF THE SAME CLASS TO BE MADE ON UNIFORM BASIS

43. Where any calls for further share capital are made on shares, such calls shall be made on a uniform basis on all shares falling under the same class. For the purpose of this Article shares of the same nominal value on which different amounts have been paid up shall not be deemed to fall under the same class.

NOTICE OF CALLS

44. One month notice at least of every call payable otherwise then on allotment shall be given by the Company specifying the time and place of payment and to whom such call shall be paid.

CALLS TO DATE FROM RESOLUTION

45. A call shall be deemed to have been made at the time when the resolution of the Board authorizing such call was passed at a meeting of the Board of Directors and may be made payable by the members on the Register of Members on a subsequent date to be fixed by the Board.

DIRECTORS MAY EXTEND TIME

46. The Board of Directors may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such times as to all or any of the members, who from residence at a distance or other cause, the Board of Directors may deem fairly entitled to such extension save as a matter of grace and favour.

CALL TO CARRY INTEREST AFTER DUE DATE

47. If any member fails to pay a call due from him on the day appointed for payment thereof or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board of Directors, but nothing in this Article shall render it compulsory upon the Board of Directors to demand or recover any interest from any such member.

PROOF ON TRIAL IN SUIT FOR MONEY DUE ON SHARES

48. Subject to the provisions of the Act and these Articles, on the trial or hearing of any action or suit brought by the Company against any member or his representatives for the recovery of any debt or money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the member in respect of whose shares the money is sought to be recovered, appears, entered on the register of members as the holder at or subsequent to the date at which the money sought to be recovered is alleged to have become due, of the shares in respect of which such money is sought to be received, that the resolution making the call is duly recorded in the minutes book and that notice of such call was duly given to the member or his representatives sued in pursuance of these presents and it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum was present at the Board at which any call was made, nor that the meeting at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

PAYMENT IN ANTICIPATION OF CALL MAY CARRY INTEREST

49. The Directors may, if they think fit, subject to the provisions of Section 50 of the Act, agree to and receive from any member willing to advance the same whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time

to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate not exceeding 12% unless the company in general meeting shall otherwise direct, as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced. The members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable. The provisions of these Articles shall mutatis mutandis apply to the calls on debenture of the Company.

FORFEITURE, SURRENDER AND LIEN IF CALL OR INSTALLMENT NOT PAID, NOTICE MAY BE GIVEN

50. If any member fails to pay any call or installment of a call in respect of any shares on or before the day appointed for the payment of the same, the Board may at any time hereafter during such time as the call or installment remains unpaid, serve a notice on such member or on the person (if any) entitled to the share by transmission requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

FORM OF NOTICE

51. The notice shall name a day (not being earlier than the expiry of fourteen days from the date of service of the notice) and a place or places on and at which such money, including the call or installment and such interest and expenses as aforesaid is to be paid. The notice shall also state that in the event of non-payment on or before the time and at the place appointed, the shares in respect of which the calls was made or installment was payable, will be liable to be forfeited.

IN DEFAULT TO PAYMENT SHARES TO BE FORFEITED

52. 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 all the calls or installments and interest and expenses due in respect thereof are paid, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends and bonus declared in respect of the forfeited shares and not actually paid before forfeiture but provided that there shall be no forfeiture of unclaimed dividends before the claim becomes barred by law.

NOTICE OF FORFEITURE

53. When any share shall have been so forfeited, notice of the resolution shall be given to the member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members provided however that the failure to give the notice of the shares having been forfeited will not in any way invalidate the forfeiture.

FORFEITED SHARES TO BECOME PROPERTY OF THE COMPANY

54. Any shares so forfeited shall be deemed to be the property of the Company and the Board may sell, re-allot otherwise dispose of the same in such manner as it thinks fit.

POWER TO ANNUL FORFEITURE

55. The Board may, at any time before any share so forfeited shall have been sold, re-allotted or otherwise disposed off, annul the forfeiture thereof as a matter of grace and favour but not as of right upon such terms and conditions as it may think fit.

ARREARS TO BE PAID NOTWITHSTANDING FORFEITURE

56. Any member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of forfeiture until payment at such rate not exceeding fifteen per cent per annum as the Board may determine and the Board may enforce the payment of such

moneys or any part thereof if it thinks fit, but shall not be under any obligation so to do.

EFFECT OF FORFEITURE

57. The forfeiture of a share shall involve the extinction of all interest in and also of all claims and demands against the Company, in respect of the share and all other rights, incidental to the share except only such of those rights as are by these Articles expressly saved.

PROCEEDS HOW TO BE APPLIED

58. The net proceeds of any such sale shall be applied in or towards satisfaction of the said debts, liabilities or engagements and the residue (if any) paid to such member, his heirs, executors, administrators or assigns.

DECLARATION OF FORFEITURE

59. (a) A duly verified declaration in writing that the declarant is a Director, the Managing Director or the Manager or the Secretary of the Company, and that share in the Company has been duly forfeited in accordance with these Articles, on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share.

(b) The Company may receive the consideration, if any, given for the Share on any sale, re-allotment or other disposal thereof any may execute a transfer of the Share in favour of the person to whom the Share is sold or disposed off.

(c) The person to whom such Share is sold, re-allotted or disposed of shall thereupon be registered as the holder of the Share.

(d) Any such purchaser or allottee shall not (unless by express agreement) be liable to pay calls, amounts, installments, interests and expenses owing to the Company prior to such purchase or allotment nor shall be entitled (unless by express agreement) to any of the dividends, interests or bonuses accrued or which might have accrued upon the Share before the time of completing such purchase or before such allotment.

(e) Such purchaser or allottee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the Share be effected by the irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the Shares.

60. The declaration as mentioned in Article 59 (a) of these Articles shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share.

TITLE OF PURCHASER AND ALLOTTEE OF FORFEITED SHARES

61. The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of and the person to whom such share is sold, re-allotted or disposed off may be registered as the holder of the share. Any such purchaser or allottee shall not (unless by express agreement to the contrary) be liable to pay any calls, amounts, installments, interest and expenses owing to the Company prior to such purchase or allotment, nor shall he be entitled (unless by express agreement to contrary) to any of the dividends, interest or bonuses accrued or which might have accrued upon the share before the time of completing such purchase or before such allotment. Such purchaser or allottee shall not be bound to see to the application of the purchase money, if any; nor shall his title to the share be affected by any irregularity or invalidity in the proceedings with reference to the forfeiture, sale, re-allotment or disposal of the share.

PARTIAL PAYMENT NOT TO PRECLUDE FORFEITURE

62. Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares

nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as herein provided.

THE PROVISIONS OF THESE ARTICLES AS TO FORFEITURE TO APPLY IN CASE OF NON-PAYMENT OF ANY SUM

63. The provisions of these Articles as to forfeiture shall apply to the case of non-payment of any sum which by the terms of issue of a share becomes payable at a fixed time, whether on account of the nominal value of the Shares or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

BOARD MAY ACCEPT SURRENDER OF SHARES

64. The Board may at any time, subject to the provisions of the Act, accept the surrender of any share from or by any member desirous of surrendering the same on such terms as the Board may think fit.

COMPANY'S LIEN ON SHARE/DEBENTURES

65. The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. The registration of a transfer of shares/debentures shall not operate as a waiver of the Company's lien if any, on such shares/debentures unless otherwise agreed by the Board. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this Article.

ENFORCING LIEN BY SALE

66. For the purpose of enforcing such lien, the Board may sell the shares subject thereto in such manner as it thinks fit but no sale shall be made until such time fixed as aforesaid shall have arrived and until notice in writing of the intention to sell, shall have been served on such member, his heirs, executors, administrators or other legal representatives as the case may be and default shall have been made by him or them in payment, fulfillment or discharged of such debts, liabilities or engagements for fourteen days after the date of such notice.

APPLICATION OF PROCEEDS OF SALE

67. The net proceeds of any such sale shall be received by the Company and applied in or towards satisfaction of the said debts, liabilities or engagements and the residue, if any, shall be paid to such member, his heirs, executors, administrators or other legal representatives, as the case may be.

VALIDITY OF SALE IN EXERCISE OF LIEN AND AFTER FORFEITURE

68. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers herein before given, the Board of Directors may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the register in respect of the shares sold and the purchaser shall not be bound to see to the regularity of the proceedings, nor to the application of the purchase money and after his name has been entered in the Register of members in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

BOARD OF DIRECTORS MAY ISSUE NEW CERTIFICATES

69. Where any shares under the powers in that behalf herein contained are sold by the Board of Directors after

forfeiture or for enforcing a lien, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall voluntarily or on demand by the Company, have been previously surrendered to the Company by the defaulting member) stand cancelled and become null and void and of no effect and the Board of Directors may issue a new certificate or certificates for such shares distinguishing it or them in such manner as it may think fit from the certificate or certificates previously issued in respect of the said shares.

SUM PAYABLE ON ALLOTMENT TO BE DEEMED A CALL

70. For the purpose of the provisions of these Articles relating to forfeiture of Shares, the sum payable upon allotment in respect of a share shall be deemed to be a call payable upon such Share on the day of allotment.

TRANSFER AND TRANSMISSION OF SHARES REGISTER OF TRANSFER

71. The Company shall keep a book to be called the Register of Transfer and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any share.

EXECUTION OF TRANSFER

72. Subject to the Provisions of the Act and these Articles, the transfer of shares in or debentures of the Company shall be registered unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor or on behalf of the transferee and specifying the name, address and occupation, if any, of the transferee has been delivered to the Company along with the certificate if in existence or along with the letter of allotment of the shares or debentures. The transferor shall be deemed to remain the holder of such shares until the name of the transferee is entered in the register in respect thereof. Shares of different classes shall not be included in the same instrument of transfer.

INSTRUMENT OF TRANSFER

73. Every such instrument of transfer shall be signed both by the Transferor and transferee and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register of members in respect thereof.

FORM OF TRANSFER

74. The instrument of transfer shall be in writing and all the provisions of Section 56 of the Act and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfers of shares and registration thereof. The Company shall use a common form for transfer.

NO TRANSFER TO A PERSON OF UNSOUND MIND, ETC

75. No transfer shall be made to a minor or a person of unsound mind.

TRANSFER OF SHARES

76. (i) An application for the registration of a transfer of shares may be made either by the transferor or by the transferee.

(ii) Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.

(iii) For the purpose of clause (2) hereof notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post to the transferee at the address given in the instruments of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.

DIRECTORS MAY REFUSE TO REGISTER TRANSFER

77. Subject to the Provisions of Section 58 and 59, these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any Shares or interest of a Member in or Debentures of the Company. The Company shall within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be giving reasons for such refusal. Provided that the registration of a transfer shall not be refused person or persons indebted to the Company on any account whatsoever except where the Company has a lien on Shares. If the Company refuses to register the transfer of any share or transmission of right therein, the Company shall within one month from the date on which instrument of transfer or the intimation of transmission, as the case may be, was delivered to the Company, sends notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission as the case may be. Nothing in these Articles shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares of the Company has been transmitted by operation of law.

NO FEE ON TRANSFER OR TRANSMISSION

78. No fee shall be charged for registration of transfer, transmission, Probate, Succession, Certificate and Letters of administration, Certificate of Death or Marriage, Power of Attorney or similar other document.

TRANSFER TO BE LEFT AT OFFICE AS EVIDENCE OF TITLE GIVEN

79. Every instruments of transfer duly executed and stamped shall be left at the office for registration accompanied by the certificate of the shares to be transferred and such other evidence as the Company may require to prove the title of the transferor or his right to transfer the shares.

WHEN TRANSFER TO BE RETAINED

80. All instruments of transfer which are registered shall be retained by the Company but any instrument of transfer which the Board declines to register shall, on demand, be returned to the person depositing the same. The Board may cause to be destroyed all transfer deeds lying with the Company after such period not being less than eight years as it may determine.

DEATH OF ONE OR MORE JOINT HOLDERS OF SHARES

81. In the case of death of any one or more of the persons named in Register of Members as joint shareholders of any share, the survivors shall be the only persons recognized by the Company as having any title to or interest in such shares, but nothing herein contained shall be taken to release the estate of a joint shareholder from any liability to the Company on shares held by him jointly with any other person.

TITLE TO SHARES OF DECEASED HOLDER

82. Subject to Article 81, the heir, executor or administrator of a deceased shareholder shall be the only person recognized by the Company as having any title to his shares and the Company shall not be bound to recognize such heir, executor or administrator unless such heir, executor or administrator shall have first obtained probate, letters of administration or succession certificate.

REGISTRATION OF PERSONS ENTITLED TO SHARE OTHERWISE THAN BY TRANSFER

83. Subject to the provisions of the Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy or insolvency of any member or by any lawful means other than by a transfer in accordance with these present, may with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that sustains the character in respect of which he proposes to act under this Article or of such titles as the Directors shall think sufficient, either be registered himself as a member in respect of such

shares or elect to have some person nominated by him and approved by the Directors registered as a member in respect of such shares. Provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favor of his nominee on instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be free from any liability in respect of such shares.

A transfer of the share or other interest in the Company of a deceased member thereof made by his legal representative shall although the legal representative is not himself a member, be as valid as if he had been a member at the time of the execution of the instrument of transfer

CLAIMANT TO BE ENTITLED TO SAME ADVANTAGE

84. The person entitled to a share by reason of the death lunacy, bankruptcy or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled as if he were registered holder of the shares 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 the meeting of the Company provided that the Board may at any time give notice requiring any such persons to elect either to be registered himself or to transfer shares and if the notice is not complied within sixty days, the Board shall thereafter withhold payment of all dividends, interests, bonuses or other moneys payable in respect of the share until the requirements of the notice have been compelled with.

TRANSMISSION OF SHARE

85. Subject to the provisions of the Act and these Articles, any person becoming entitled to a share in consequence of the death, bankruptcy or insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may with the consent of the Board (which it shall not be under any obligation to give) upon producing such evidence as the Board think sufficient, either be registered himself as the holder of the share or elect to have some person nominated by him and approved by the Board registered as such holder, provided nevertheless that if such person shall elect to have his nominee registered, he shall testify the election by executing to his nominee an instrument of transfer of the share in accordance with the provisions herein contained and until he does so he shall not be freed from any liability in respect of the share.

BOARD MAY REFUSE TO TRANSMIT

86. The Board shall have the same right to refuse on legal grounds to register a person entitled by transmission to any share or his nominee, as if he were the transferee named in any ordinary transfer presented for registration.

BOARD MAY REQUIRE EVIDENCE OF TRANSMISSION

87. Every transmission of share shall be verified in such manner as the Board may require and if the Board so desires, be accompanied by such evidence as may be thought necessary and the Company may refuse to register any such transmission until the same be verified on requisite evidence produced or until or unless an indemnity be given to the Company with regard to such registration which the Board at its absolute discretion shall consider sufficient, provided nevertheless, that there shall not be any obligation on the Company or the Board to accept any indemnity.

TRANSFER BY LEGAL REPRESENTATION

88. A transfer of a share in the Company of a deceased member thereof made by his legal representative shall, although the legal representative is not himself a member be as valid as if he had been a member at the time of the execution of instrument of transfer.

CERTIFICATE OF TRANSFER

89. The Certification by the Company of any instrument of transfer of shares in or debentures of the Company, shall be taken as a representation by the Company to any person acting on the faith of the certification that there have been produced to the Company such documents as on the face of them show a prime facie title to the shares or debentures in the transferor named in the instrument of transfer, but not as a representation that the transferor has

any title to the shares or debentures

THE COMPANY NOT LIABLE FOR DISREGARD OF A NOTICE PROHIBITING REGISTRATION OF TRANSFER

90. The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer or transmission of shares made or purporting to be made by any apparent legal owner thereof as shown or appearing in the Register of Members to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer any may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some books of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.

NOMINATION

91. (i) Every shareholder or debenture holder of the Company, may at any time, nominate a person to whom his shares or debentures shall vest in the event of his death in such manner as may be determined by Central Government under the Act.

(ii) Where the shares or debentures of the Company are held by more than one person jointly, joint holders may together nominate a person to whom all the rights in the shares or debentures, as the case may be shall vest in the event of death of all the joint holders in such manner as may be determined by Central Government under the act.

(iii) Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, where a nomination made in the manner aforesaid purports to confer on any person the right to vest the shares of debentures, the nominee shall, on the death of the shareholders or debenture holder or, as the case may be on the death of the joint holders become entitled to all the rights in such shares or debentures or, as the case may be , all the joint holders, in relation to such shares or debentures, to the exclusion of all other persons, unless the nomination is varied or cancelled in the manner as may be determined by Central Government under the Act.

(iv) Where the nominee is a minor, it shall be lawful for the holder of the shares or debentures, to make the nomination to appoint any person to become entitled to shares in, or debentures of, the Company in the manner prescribed under the Act, in the event of his death, during the minority.

"OPTION OF NOMINEE"

92. (i) A nominee upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-(a) to register himself as holder of the share or debenture, as the case may be; (b) or to make such transfer of the shares and/or debentures, as the deceased shareholder or debenture holder, as the case may be, could have made.

If the nominee elects to be registered as holder of the shares or debentures, himself, as the case may be, he shall deliver or send to the Company, notice in writing signed by him stating that he so elects and such notice shall be accompanied with death certificate of the deceased shareholder or debenture holder, as the case may be.

(ii) A nominee shall be entitled to the share dividend/interest and other advantages to which he would be entitled if he were the registered holder of the shares or debentures, provided that he shall not, before being registered as a member, be entitled to exercise any right conferred by membership in relation to the meeting of the Company.

Provided further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the shares or debentures, and if the notice is not complied within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the shares or debentures, until the requirements of the notice have been complied with.

TRUST NOT RECOGNISED

93. Save as herein otherwise provided, the Company shall be entitled to treat the person whose names appears on the Register of Members/Debentures as the holder of any Shares/Debentures in the records of the Company and/or in the records of the Depository as the absolute owner thereof and accordingly shall not (except as may be ordered by a Court of competent jurisdiction or as may be required by law) be bound to recognize any benami trust or equitable, contingent, future or other claim or interest or partial interest in any such shares/debentures on the part of any other person or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto on the part of any other person whether or not it shall have express or implied notice thereof, but the Board shall be at liberty and at its sole discretion decided to register any share/debenture in the joint names of any two or more persons or the survivor or survivors of them.

TRANSFER OF SECURITIES

94. Nothing contained in Section 56(1) of the Act or these Articles shall apply to a transfer of securities affected by a transferor and transferee both of who are entered as beneficial owners in the records of depository.

NOTICE OF APPLICATION WHEN TO BE GIVEN

95. Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.

REFUSAL TO REGISTER NOMINEE

96. Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse to register a person entitled by transmission to any Share of his nominee as if he were the transferee named in an ordinary transfer presented for registration.

PERSON ENTITLED MAY RECEIVE DIVIDEND WITHOUT BEING REGISTERED AS A MEMBER

97. A person entitled to a Share by transmission shall subject to the right of the Directors to retain dividends or money as is herein provided, be entitled to receive and may give a discharge for any dividends or other moneys payable in respect of the Share.

BOARD MAY REFUSE TRANSFER TO MORE THAN THREE PERSONS

98. Subject to the provisions of the Act, the Board may refuse to transfer a share or shares in the joint names of more than three persons.

JOINT HOLDERS

99. If any share stands in the name of two or more persons, the person first named in the Register of Members shall, as regards receipt of dividends or bonus or service of notice and/or any other matter connected with the Company, except voting at meeting and the transfer of the share, be deemed the sole holder thereof, but the joint holders of a share be severally as well as jointly, liable for the payment of all installments and calls due in respect of such share and for all incidents thereof subject to the following and other provisions contained in these articles;

JOINT AND SEVERAL LIABILITIES FOR ALL PAYMENTS IN RESPECT OF SHARES

(a) The joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other

payments which ought to be made in respect of such share.

TITLE OF SURVIVORS

(b) On the death of any such joint holder, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person.

EFFECTUAL RECEIPTS

(c) Any one of several persons who is registered as joint holder of any share may give effectual receipts for all dividends and payments on account of dividends in respect of such share.

DELIVERY OF CERTIFICATE AND GIVING OF NOTICE TO FIRST NAMED HOLDER

(d) Only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificates relating to such share or to receive documents (which expression shall be deemed to include all documents referred to in the Articles and documents served on or sent to such person shall be deemed service on all the joint holders).

VOTES OF JOINT HOLDERS

(e) Any one or two or more joint holders may vote at any meeting either personally or by attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting personally or by proxy or by attorney than that one or such persons so present whose name stands first or higher (as the case may be) on the Register of Members in respect of such shares shall alone be entitled to vote in respect thereof but the others of the joint holders shall be entitled to be present at the meeting; provided always that a joint holder present at any meeting personally shall be entitled to vote in preference to a joint holder present by attorney or by proxy although the name of such joint holder present by an attorney or by proxy although the name of such joint holder present by an attorney or proxy stands first or higher (as the case may be) in the register in respect of such shares. Several executors or administrators of a deceased member in whose (deceased member's) sole name any shares stand shall for the purpose of this Article, be deemed joint holders.

CONVERSION OF SHARES INTO STOCK SHARES MAY BE CONVERTED INTO STOCK

100. The Board may, pursuant to Section 61 with the sanction of a General Meeting, convert any paid up share into stock and when any shares shall have been converted into stock, the several holders of such stock may henceforth, transfer their respective interests therein or any part of such interest in the same manner as and subject to the same regulations, under which fully paid up share in the capital of the Company may be transferred or as near thereto as circumstances will admit, but the Board may, from time to time if it thinks fit, fix the minimum amount of stock transferable and direct that fractions of a rupee shall not be dealt with, power nevertheless at their discretion to waive such rules in any particular case.

RIGHTS OF STOCK-HOLDERS

101. The stock shall confer on the holders thereof respectively the same rights, privileges and advantages as regards participation in the profits and voting at meetings of the Company and for other purposes as would have been conferred by shares of equal amount in the capital of the Company of the same class as the shares from which such stock was converted, but so that none of such privileges or advantages except participation in the profits of the Company or in the assets of the Company on a winding up, shall be conferred by any such equivalent part of consolidated stock as would not, if existing in shares have conferred such privileges or advantages. No such conversion shall effect or prejudice any preference or other special privileges attached to the shares so converted. Save as aforesaid, all the provisions herein contained shall, so far as circumstances will admit, apply to stock as well as to shares. The Company may at any time reconvert any such stock into fully paid up shares of any

denomination.

MEETING OF MEMBERS

102. (a) Subject to Section 96 of the Act, the Company shall in each year hold, in addition to any other meetings, a General Meeting as its Annual General Meeting and shall specify the meeting as such in the notices calling it and not more than fifteen months shall elapse between the date of the Annual General Meeting of the Company and that of the next, provided also that the Register may, for any special reason, extend the time within which any annual general meeting shall be held by a period not exceeding three months.

(b) Every Annual General Meeting shall be called for at a time during business hours that is between 9 a.m. and 6 p.m. on any day that is not a national holiday and shall be held either at the Registered Office of the Company or at some other place within the city or town or village in which the Registered Office of the Company is situated.

103. The Company shall in accordance with Section 92 of the Act, within 60 days from the day on which the Annual General Meeting is held, prepare and file with the Registrar an annual return together with the copy of the financial statements, including consolidated financial statement, if any, along with all the documents which are required to be or attached to such financial statements under this act, duly adopted at the Annual General Meeting of the company. A copy of the financial statements adopted at the Annual General Meeting shall be filed within 30 days of the annual general meeting in accordance with Section 137 of the Act.

DISTINCTION BETWEEN ANNUAL GENERAL MEETING AND EXTRA-ORDINARY GENERAL MEETING

104. The General Meeting referred to in Article 102 shall be called and styled as an Annual General Meeting and all meetings other than the Annual General Meeting shall be called Extra-ordinary General Meetings.

CALLING OF EXTRA-ORDINARY GENERAL MEETING

105. (*1*) The Board may, whenever it deems fit, call an extraordinary general meeting of the company.

(2) The Board shall, at the requisition made by such number of members who hold, on the date of the receipt of the requisition, not less than one-tenth of such of the paid-up share capital of the company as on that date carries the right of voting power of all the members having on the said date a right to vote, call an extraordinary general meeting of the company within the period specified in clause (*4*).

(3) The requisition made under clause (2) shall set out the matters for the consideration of which the meeting is to be called and shall be signed by the requisitionists and sent to the registered office of the company.

(4) If the Board does not, within twenty-one days from the date of receipt of a valid requisition in regard to any matter, proceed to call a meeting for the consideration of that matter on a day not later than forty-five days from the date of receipt of such requisition, the meeting may be called and held by the requisitionists themselves within a period of three months from the date of the requisition.

(5) A meeting under clause (4) by the requisitionists shall be called and held in the same manner in which the meeting is called and held by the Board.

(6) Any reasonable expenses incurred by the requisitionists in calling a meeting under clause (4) shall be reimbursed to the requisitionists by the company and the sums so paid shall be deducted from any fee or other remuneration under section 197 payable to such of the directors who were in default in calling the meeting.

LENGTH OF NOTICE FOR CALLING MEETING

106. (1) A general meeting of a company may be called by giving not less than clear twenty-one days' notice either in writing or through electronic mode in such manner as may be determined by Central Government:

Provided that a general meeting may be called after giving a shorter notice if consent is given in writing or by electronic mode by not less than ninety-five per cent of the members entitled to vote at such meeting.

(2) Every notice of a meeting shall specify the place, date, day and the hour of the meeting and shall contain a statement of the business to be transacted at such meeting.

(3) The notice of every meeting of the company shall be given to –
(a) every member of the company, legal representative of any deceased member or the assignee of an insolvent member;
(b) the auditor or auditors of the company; and
(c) every director of the company.

(4) Any accidental omission to give notice to, or the non-receipt of such notice by, any member or other person who is entitled to such notice for any meeting shall not invalidate the proceedings of the meeting.

EXPLANATORY STATEMENT TO BE ANNEXED TO NOTICE / SPECIAL BUSINESS

107. (*1*) Pursuant to section 102 a statement setting out the following material facts concerning each item of special business to be transacted at a general meeting, shall be annexed to the notice calling such meeting, namely: -
(a) the nature of concern or interest, financial or otherwise, if any, in respect of each items of—
(i) every director and the manager, if any;
(ii) every other key managerial personnel; and
(iii) relatives of the persons mentioned in sub-clauses (*i*) and (*ii*);

(b) any other information and facts that may enable members to understand the meaning, scope and implications of the items of business and to take decision thereon.

(2) For the purposes of clause (1),—
(a) in the case of an annual general meeting, all business to be transacted thereat shall be deemed special, other than—
(i) the consideration of financial statements and the reports of the Board of Directors and auditors;
(ii) the declaration of any dividend;
(iii) the appointment of directors in place of those retiring;
(iv) the appointment of, and the fixing of the remuneration of, the auditors; And

(b) in the case of any other meeting, all business shall be deemed to be special:

Provided that where any item of special business to be transacted at a meeting of the company relates to or affects any other company, the extent of shareholding interest in that other company of every promoter, director, manager, if any, and of every other key managerial personnel of the first mentioned company shall, if the extent of such shareholding is not less than two per cent of the paid-up share capital of that company, also be set out in the statement.

(3) Where any item of business refers to any document, which is to be considered at the meeting, the time and place where such document can be inspected shall be specified in the statement under sub- clause (1).

108. No General Meeting, Annual or Extra-ordinary, shall be competent to enter upon, discuss or transact any business which has not been specifically mentioned in the notice or notices upon which it is convened.

QUORUM

109. (1) The quorum for a General Meeting of the Company shall be as under:
a. five members personally present if the number of members as on the date of meeting is not more than one thousand; or

b. fifteen members personally present if the number of members as on the date of meeting is more than one thousand but up to five thousand; or
c. thirty members personally present if the number of members as on the date of the meeting exceeds five thousand; shall be the quorum for a meeting of the company.

(2) If the quorum is not present within half-an-hour from the time appointed for holding a meeting of the company –

(a) the meeting shall stand adjourned to the same day in the next week at the same time and place, or to such other date and such other time and place as the Board may determine; or

(b) the meeting, if called by requisitionists under section 100, shall stand cancelled:

Provided that in case of an adjourned meeting or of a change of day, time or place of meeting under clause (*a*), the company shall give not less than three days notice to the members either individually or by publishing an advertisement in the newspapers (one in English and one in vernacular language) which is in circulation at the place where the registered office of the company is situated.

(c) If at the adjourned meeting also, a quorum is not present within half-an-hour from the time appointed for holding meeting, the members present shall be the quorum.

RESOLUTION PASSED AT ADJOURNED MEETING

110. Where a resolution is passed at an adjourned meeting of –
(a) a company; or
(b) the holders of any class of shares in a company; or
(c) the Board of Directors of a company,
the resolution shall, for all purposes, be treated as having been passed on the date on which it was in fact passed, and shall not be deemed to have been passed on any earlier date.

REGISTRATION OF RESOLUTIONS AND AGREEMENTS

111. The Company shall comply with the provisions of Section 117 of the Act relating to registration of certain resolutions and agreements.

POWER OF ADJOURN GENERAL MEETING

112. (1) The Chairman of the General Meeting at which a quorum is present, and shall if so directed by the meeting, may adjourn the same from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(2) 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.

(3) Save as aforesaid, it shall not be necessary to give any notice of an adjournment of or of the business to be transacted at any adjourned meeting.

CHAIRMAN OF GENERAL MEETING

113. The Chairman of the Board shall, if willing, preside as Chairman at every General Meeting, Annual or Extra-ordinary, if there be no such Chairman or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding such meeting or being present declined to take the Chair, the Directors present may choose one of their members to be Chairman and in default of their doing so, the members present shall choose one of the Directors to be Chairman and if no Director present be willing to take the Chair, members shall, on a

show of hands elect one of their numbers to be Chairman, of the meeting, if a poll is demanded on the election of the Chairman, it shall be taken forthwith in accordance with the provisions of the Act and these Articles and the Chairman elected on a show of hands shall exercise all the powers of the Chairman under the said provisions. If some other person is elected chairman as a result of the poll, he shall be the Chairman for the rest of the meeting.

BUSINESS CONFINED TO ELECTION OF CHAIRMAN WHILE CHAIR VACANT

114. No business shall be discussed at any General Meeting except the election of a Chairman while the chair is vacant.

RESOLUTION MUST BE PROPOSED AND SECONDED

115. No resolution submitted to a meeting, unless proposed by the Chairman of the meeting shall be discussed nor put to vote until the same has been proposed by a member present and entitled to vote at such meeting and seconded by another member present and entitled to vote at such meeting.

POSTAL BALLOT

116. (*1*) Notwithstanding anything contained in this Act, the company –

(a) shall, in respect of such items of business as the Central Government may, by notification, declare to be transacted only by means of postal ballot; and

(b) may, in respect of any item of business, other than ordinary business and any business in respect of which directors or auditors have a right to be heard at any meeting, transact by means of postal ballot, in such manner as may be determined by Central Government, instead of transacting such business at a general meeting.

(*2*) If a resolution is assented to by the requisite majority of the shareholders by means of postal ballot, it shall be deemed to have been duly passed at a general meeting convened in that behalf.

DECLARATION OF CHAIRMAN TO BE CONCLUSIVE

117. A declaration by the Chairman that a resolution has or has not been carried either unanimously or by a particular majority and an entry to that effect in the books containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact, without proof of the number of proportion of the votes cast in favour of or against such resolution

CIRCULATION OF MEMBERS' RESOLUTION

118. .(*1*) A company shall, on requisition in writing of such number of members, as required in section 100,—

(a) give notice to members of any resolution which may properly be moved and is intended to be moved at a meeting; and

(b) circulate to members any statement with respect to the matters referred to in proposed resolution or business to be dealt with at that meeting.

(2) A company shall not be bound under this section to give notice of any resolution or to circulate any statement unless –

(a) a copy of the requisition signed by the requisitionists (or two or more copies which, between them, contain the signatures of all the requisitionists) is deposited at the registered office of the company,—

(i) in the case of a requisition requiring notice of a resolution, not less than six weeks before the meeting;

(ii) in the case of any other requisition, not less than two weeks before the meeting; and

(b) there is deposited or tendered with the requisition, a sum reasonably sufficient to meet the company's expenses in giving effect thereto:

Provided that if, after a copy of a requisition requiring notice of a resolution has been deposited at the registered office of the company, an annual general meeting is called on a date within six weeks after the copy has been deposited, the copy, although not deposited within the time required by this sub-section, shall be deemed to have been properly deposited for the purposes thereof.

(3) The company shall not be bound to circulate any statement as required by clause(b) of sub-section (1), if on the application either of the company or of any other person who claims to be aggrieved, the Central Government, by order, declares that the rights conferred by this section are being abused to secure needless publicity for defamatory matter.

(4) An order made under sub-section (3) may also direct that the cost incurred by the company by virtue of this section shall be paid to the company by the requisitionists, notwithstanding that they are not parties to the application.

VOTES OF MEMBERS
VOTES MAY BE GIVEN BY PROXY OR ATTORNEY

119. Subject to the provisions of the Act and these Articles, votes may be given either personally or by an attorney or by proxy or in the case of a body corporate, also by a representative duly authorised under section 113 of the Act.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights
Provided that a member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

VOTES OF MEMBERS

120. (*1*) Subject to the provisions of section 43 and sub-section (*2*) of section 50, -

(a) every member of a company limited by shares and holding equity share capital therein, shall have a right to vote on every resolution placed before the company; and

(b) his voting right on a poll shall be in proportion to his share in the paid-up equity share capital of the company.

(*2*) Every member of a company limited by shares and holding any preference share capital therein shall, in respect of such capital, have a right to vote only on resolutions placed before the company which directly affect the rights attached to his preference shares and, any resolution for the winding up of the company or for their payment or reduction of its equity or preference share capital and his voting right on a poll shall be in proportion to his share in the paid-up preference share capital of the company:

Provided that the proportion of the voting rights of equity shareholders to the voting rights of the preference shareholders shall be in the same proportion as the paid-up capital in respect of the equity shares bears to the paid-up capital in respect of the preference shares:

Provided further that where the dividend in respect of a class of preference shares has not been paid for a period of two years or more, such class of preference shareholders shall have a right to vote on all the resolutions placed before the company.]

RIGHT OF MEMBER TO USE HIS VOTES DIFFERENTLY

121. On a poll being taken at meeting of the Company, a member entitled to more than one vote or his proxy or other person entitled to vote for him as the case may be need not, if he votes, use all his votes or cast in the same way all the votes he uses.

REPRESENTATION OF BODY CORPORATE

122. Pursuant to section 113, a body corporate whether a Company within meaning of the Act or not may, if it is a member or creditor of the Company including being a holder of debentures, may authorize such person by a resolution of its Board of Directors, as it thinks fit, to act as its representative at any meeting of members and creditors of the Company.

REPRESENTATION OF THE PRESIDENT OF INDIA OR GOVERNORS

123. The President of India or the Governor of State if he is a member of the Company may appoint such person as he thinks fit to act, as his representative at any meeting of the Company or at any meeting of any class of members of the Company in accordance with provisions of Section 112 of the Act or any other statutory provision governing the same.

A person appointed to act as aforesaid shall for the purposes of the Act be deemed to be a member of such a Company and shall be entitled to exercise the same rights and powers (including the right to vote by proxy) as the Governor could exercise, as member of the Company.

RESTRICTION ON EXERCISE OF VOTING RIGHT BY MEMBERS WHO HAVE NOT PAID CALLS

124. No member shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has and/or has exercised its right of lien.

RESTRICTION ON EXERCISE OF VOTING RIGHT IN OTHER CASES TO BE VOID

125. A member is not prohibited from exercising his voting right on the ground that he has not held his share or other interest in the Company for any specified period preceding the date on which the vote is taken, or on any other ground not being a ground set out in Article 124.

HOW MEMBER NON-COMPOS MENTIS MAY VOTE

126. If any member be a lunatic or non-compos mentis, the vote in respect of his share or shares shall be his committee or other legal guardian provided that such evidence of the authority of the person claimed to vote as shall be acceptable by the Board shall have been deposited at the office of the Company not less than forty eight hours before the time of holding a meeting.

INSTRUMENT OF PROXY

127. The instrument appointing a proxy shall be in writing and signed by the appointer or his attorney duly authorized in writing or if the appointer is a body corporate be under its seal or be signed by an office or attorney duly authorized by it.

INSTRUMENT OF PROXY TO BE DEPOSITED AT OFFICE

128. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority shall be deposited at the registered office of the Company not less than forty eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote and in default, the instrument of proxy shall not be treated as valid. No instrument of proxy shall be valid after the expiration of twelve months from the date of its execution.

WHEN VOTE BY PROXY VALID THOUGH AUTHORITY REVOKED

129. 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 share in respect of which the vote 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 adjournment meeting at which the proxy is used.

FORM OF PROXY

130. Every instrument of proxy, whether for specified meeting or otherwise shall, as nearly as circumstances will admit, be in the form Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3)of the Companies (Management and Administration) Rules, 2014.

TIME FOR OBJECTION TO VOTE

131. No objection shall be made to the validity of any vote except at the meeting or poll at which such vote shall be so tendered and every vote whether given personally or by proxy and not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever.

CHAIRMAN OF ANY MEETING TO BE THE JUDGE OF VALIDITY OF ANY VOTE

132. The Chairman of any meeting shall be sole judge of the validity of every vote tendered at such meeting. The Chairman present at the time of taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

MEMBER PAYING MONEY IN ADVANCE NOT BE ENTITLED TO VOTE IN RESPECT THEREOF

133. A Member paying the whole or a part of the amount remaining unpaid on any Share held by him although no part of that amount has been called up, shall not be entitled to any voting rights or participate in dividend or profits in respect of moneys so paid by him until the same would but for such payment become presently payable

DIRECTORS

134. 1) Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors shall not be less than three and not more than fifteen.

2) The Persons named hereinafter are the Directors of the Company at the time of adoption of new set of Articles:-

(1) Mr. Dharmesh Vinodbhai Desai (DIN 00292502)
(2) Mrs. Bijal Dharmesh Desai (DIN 00292319)
(3) Mr. Mayank Yashwantrai Desai (DIN 00354210)

INCREASE IN NUMBER OF DIRECTORS TO REQUIRE GOVERNMENT SANCTION

135. The appointment of the Directors exceeding 15 (fifteen) will be subject to the provisions of Section 149 of the Act.

POWER OF DIRECTORS TO APPOINT ADDITIONAL DIRECTORS

136. The Board of Directors shall have the power to appoint any person, other than a person who fails to get appointed as a director in a general meeting, as an additional director at any time who shall hold office up to the date of the next annual general meeting or the last date on which the annual general meeting should have been held, whichever is earlier.

ALTERNATE DIRECTORS

137. The Board of Directors shall have the power to appoint a person, not being a person holding any alternate directorship for any other director in the company, to act as an alternate director for a director during his absence for a period of not less than three months from India:

Provided that no person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent director under the provisions of this Act:
Provided further that an alternate director shall not hold office for a period longer than that permissible to the director in whose place he has been appointed and shall vacate the office if and when the director in whose place he has been appointed returns to India:

Provided also that if the term of office of the original director is determined before he so returns to India, any provision for the automatic re-appointment of retiring directors in default of another appointment shall apply to the original, and not to the alternate director.

NOMINEE DIRECTORS

138. The Board shall have the power to appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement or by the Central Government or the State Government by virtue of its shareholding in a Government company.

If the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, in default of and subject to any regulations in the articles of the company, be filled by the Board of Directors at a meeting of the Board:

Provided that any person so appointed shall hold office only up to the date up to which the director in whose place he is appointed would have held office if it had not been vacated.

139. A Director need not hold any qualification shares.

REMUNERATION OF DIRECTORS

140. (1) Subject to the provisions of the Act, a Managing Director or any other Director, who is in the Wholetime employment of the Company may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other.

(2) Subject to the provisions of the Act, a Director who is neither in the Whole-time employment not a Managing Director may be paid remuneration.

(i) by way of monthly, quarterly or annual payment with the approval of the Central Government: or
(ii) by way of commission if the Company by a special resolution authorises such payments.

(3) The fees payable to Director (including a Managing or whole-time Director, if any) for attending a meeting of the Board or Committee shall be decided by the Board of Directors from time to time, however the amount thereof shall not exceed limit provided in the Companies Act, 2013 and rules, if any, framed there under.

(4) if any Director be called upon to perform extra services or special exertion or efforts (which expression shall include work done by a Director as member of any committee formed by the Directors), the Board may arrange with such Directors for such special remuneration for such extra services or special exertions or either by a fixed sum or otherwise as may be determined by the Board and such remuneration may be either in addition to or in substitution for his remuneration above provided subject to the provision of Section 197(4) of the Act.

INCREASE IN REMUNERATION OF DIRECTORS TO REQUIRE GOVERNMENT SANCTION

141. Any provision relating to the remuneration of any Director including the Managing Director or Joint Managing Director or whole time Director or executive Director whether contained in his original appointment or which purports to increase or has the effect of increasing whether directly or indirectly the amount of such remuneration and whether that provisions are contained in the articles or in any agreement entered into by the Board of Directors shall be subject to the provisions of Section 196, 197 and 203 of the Act and in accordance with the conditions specified in Schedule V and to the extent to which such appointment or any provisions for remuneration thereof is not in accordance with the Schedule V, the same shall not have any effect unless approved by the Central Government and shall be effective for such period and be subject to such conditions as may be stipulated by the Central Government and to the extent to which the same is not approved by the Central Government, the same shall become void and not enforceable against the Company.

TRAVELLING EXPENSES INCURRED BY A DIRECTOR NOT A BONAFIDE RESIDENT OR BY DIRECTOR GOING OUT ON COMPANY'S BUSINESS

142. The Board may allow and pay to any Director who is not a bonafide resident of the place where the meetings of the Board or committee thereof are ordinarily held and who shall come to a such place for the purpose of attending any meeting, such sum as the Board may consider fair compensation or for traveling, boarding, lodging and other expenses, in addition to his fee for attending such meeting as above specified and if any Director be called upon to go or reside out of the ordinary place of his residence on the Company's business, he shall be entitled to be repaid and reimbursed any travelling or other expenses, incurred in connection with business of the Company.

DIRECTORS MAY ACT NOTWITHSTANDING ANY VACANCY

143. The continuing Directors may act notwithstanding any vacancy in the Board, but if and so long as the number is reduced below the quorum fixed by the Act or by these Articles 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 for summoning a General Meeting of the Company but for no other purpose.

DISCLOSURE OF INTEREST OF DIRECTORS

144. (1) Every director shall at the first meeting of the Board in which he participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the disclosures already made, then at the first Board meeting held after such change, disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals which shall include the shareholding, in such manner as may be determined by central government.

(2) Every director of a company who is in any way, whether directly or indirectly, concerned or interested in a contract or arrangement or proposed contract or arrangement entered into or to be entered into—

(a) with a body corporate in which such director or such director in association with any other director, holds more than two per cent. shareholding of that body corporate, or is a promoter, manager, Chief Executive Officer of that body corporate; or

(b) with a firm or other entity in which, such director is a partner, owner or member, as the case may be,
shall disclose the nature of his concern or interest at the meeting of the Board in which the contract or arrangement is discussed and shall not participate in such meeting:
Provided that where any director who is not so concerned or interested at the time of entering into such contract or arrangement, he shall, if he becomes concerned or interested after the contract or arrangement is entered into, disclose his concern or interest forthwith when he becomes concerned or interested or at the first meeting of the Board held after he becomes so concerned or interested.

(3) A contract or arrangement entered into by the company without disclosure under sub-section (2) or with

participation by a director who is concerned or interested in any way, directly or indirectly, in the contract or arrangement, shall be voidable at the option of the company.

(4) Nothing in this Article-

(a) shall be taken to prejudice the operation of any rule of law restricting a director of a company from having any concern or interest in any contract or arrangement with the company;

(b) shall apply to any contract or arrangement entered into or to be entered into between two companies where any of the directors of the one company or two or more of them together holds or hold not more than two per cent. of the paid-up share capital in the other company.

INTERESTED DIRECTOR NOT TO PARTICIPATE OR VOTE ON BOARD'S PROCEEDINGS

145. No Director of the Company shall, as Director, take any part in the discussion of or vote on any contract or arrangement entered into or to be entered into by or on behalf of the Company if he is in any way whether directly or indirectly, concerned or interested in the contract or arrangement, nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote and if he does vote his vote shall be void, provided however that Directors may vote on any contract of indemnity against any loss which the Directors or any one or more of them may suffer by reason of becoming or being sureties or surety for the Company.

BOARD'S SANCTION TO BE REQUIRED FOR CERTAIN CONTRACTS IN WHICH PARTICULAR DIRECTOR IS INTERESTED

146. (1) Except with the consent of the Board of Directors of the Company and of the Shareholders where applicable, the Company , shall not enter into any contract with a Related Party in contravention of Section 188 of the Act and the Rules made thereunder–

a. for the sale, purchase or supply of any goods, materials or services; or
b. selling or otherwise disposing of, or buying, property of any kind;
c. leasing of property of any kind;
d. availing or rendering of any services;
e. appointment of any agent for purchase or sale of goods, materials, services or property;
f. such Related Party's appointment to any office or place of profit in the Company, its subsidiary company or associate company;
g. underwriting the subscription of any securities or derivatives thereof, of the Company:

(2) Nothing contained in clause (1) shall affect any transactions entered into by the Company in its ordinary course of business other than transactions which are not on an arm's length basis.

(3) Notwithstanding anything contained in clauses (1) and (2) a Related Party may, in circumstances of urgent necessity enter, without obtaining the consent of the Board, into any contract with the Company; but in such a case the consent of the Board shall be obtained at a meeting within three months of the date of which the contract was entered into or such other period as may be prescribed under the Act. (S.188 (3))

(4) Every consent of the Board required under this Article shall be accorded by a resolution of the Board and the consent required under Clause (1) shall not be deemed to have been given within the meaning of that clause unless the consent is accorded before the contract is entered into or within three months of the date on which it was entered into or such other period as may be prescribed under the Act.

(5) If the consent is not accorded to any contract under this Article anything done in pursuance of the contract will be voidable at the option of the Board.

SPECIAL DIRECTOR

147. In connection with any collaboration arrangement with any company or corporation or any firm or person for supply of technical know-how and/or machinery or technical advice the directors may authorize such company, corporation, firm or person herein-after in this clause referred to as "collaborator" to appoint from time to time any person as director of the company (hereinafter referred to as "special director") and may agree that such special director shall not be liable to retire by rotation and need not possess any qualification shares to qualify him for office of such director, so however that such special director shall hold office so long as such collaboration arrangement remains in force unless otherwise agreed upon between the Company and such collaborator under the collaboration arrangements or at any time thereafter.

The collaborators may at any time and from time to time remove any such special director appointed by it and may at the time of such removal and also in the case of death or resignation of the person so appointed, at any time appoint any other person as special director in his place and such appointment or removal shall be made in writing signed by such company or corporation or any partner or such person and shall be delivered to the Company at its registered office.

It is clarified that every collaborator entitled to appoint a director under this article may appoint one such person as a director and so that if more than one collaborator is so entitled there may be at any time as may special directors as the collaborators eligible to make the appointment.

DIRECTORS' SITTING FEES

148. The fees payable to a Director for attending each Board meeting shall be such Sum as may be fixed by the Board of Directors not exceeding such as may be determined by the Central Government for each of the meetings of the Board or A committee thereof and adjournments thereto attended by him. The directors, Subject to the sanction of the Central Government (if any required) may be paid such higher fees as the Company in General Meeting shall from time to time determine.

DIRECTORS AND MANAGING DIRECTOR MAY CONTRACT WITH COMPANY

149. Subject to the provisions of the Act the Directors (including a Managing Director And whole time Director) shall not be disqualified by reason of his or their office as such from holding office under the Company or from contracting with the Company either as vendor, purchaser, lender, agent, broker, lessor or lessee or Otherwise, nor shall any such contract or any contracts or arrangement entered Into by or on behalf of the Company with any Director or with any company or Partnership of or in which any Director shall be a member or otherwise interested be avoided nor shall any Director so contracting be liable to account to the Company for any profit realized by such contract or arrangement by reason only of such director holding that office or of the fiduciary relation thereby established, but it is declared that the nature of his interest shall be disclosed as Provided by Section 188 of the Act and in this respect all the provisions of Section 179, 180, 184, 185, 186, 188, 189and 196 of the Act shall be duly observed and complied with.

DISQUALIFICATION OF THE DIRECTOR

150. (*1*) A person shall not be eligible for appointment as a director of a company, if -

(a) he is of unsound mind and stands so declared by a competent court;

(b) he is an undischarged insolvent;

(c) he has applied to be adjudicated as an insolvent and his application is pending;

(d) he has been convicted by a court of any offence, whether involving moral turpitude or otherwise, and sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence:

Provided that if a person has been convicted of any offence and sentenced in respect thereof to imprisonment for a period of seven years or more, he shall not be eligible to be appointed as a director in any company;

(e) an order disqualifying him for appointment as a director has been passed by a Court or Tribunal and the order is in force;

(f) he has not paid any calls in respect of any shares of the company held by him, whether alone or jointly with others, and six months have elapsed from the last day fixed for the payment of the call;

(g) he has been convicted of the offence dealing with related party transactions under section 188 at any time during the last preceding five years; or

(h) he has not complied with sub-section (3) of section 152.

(2) No person who is or has been a director of a company which -

(a) has not filed financial statements or annual returns for any continuous period of three financial years; or

(b) has failed to repay the deposits accepted by it or pay interest thereon or to redeem any debentures on the due date or pay interest due thereon or pay any dividend declared and such failure to pay or redeem continues for one year or more, shall be eligible to be re-appointed as a director of that company or appointed in other company for a period of five years from the date on which the said company fails to do so.

DIRECTORS VACATING OFFICE

151. The office of a Director shall be vacated if :

a. he is found to be of unsound mind by a Court of competent jurisdiction;
b. he applied to be adjudicated an insolvent;
c. he is adjudicated an insolvent;
d. he is convicted by a Court, of any offence involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the expiry of the sentence; Provided that if a person has been convicted of any offence and sentenced in respect thereof to imprisonment for a period of seven years or more, he shall not be eligible to be appointed as a director in any company;
e. he fails to pay any call in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the last date fixed for the payment of the call unless the Central Government by Notification in the Official Gazette removes the disqualification incurred by such failure;
f. he absents himself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence of the Board;
g. he is removed in pursuance of Section 169 of Act;
h. having been appointed a Director by virtue of his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company;
i. he acts in contravention of the provisions of Section 184 of the Act relating to entering into contracts or arrangements in which he is directly or indirectly interested;
j. he fails to disclose his interest in any contract or arrangement in which he is directly or indirectly interested, in contravention of the provisions of section 184.

DIRECTOR MAY BE DIRECTOR OF COMPANIES PROMOTED BY THE COMPANY

152. Subject to provisions of Section 203 of the Act, a Director may be or become a director of any company promoted by the Company, or in which it may be interested as a vendor, shareholder, or otherwise and no such Director shall be accountable for any benefit received as director or Shareholder of such company except in so far Section 197or Section 188 of the Act may be applicable.

RETIREMENT AND ROTATION OF DIRECTORS

RETIREMENT OF DIRECTORS BY ROTATION

153. (1) (a) At every Annual General Meeting, not less than two-thirds of the total number of directors of a company shall

a. be persons whose period of office is liable to determination by retirement of directors by rotation; and
b. save as otherwise expressly provided in this Act, be appointed by the company in general meeting.

(b) The remaining directors in the case of any such company shall, in default of, and subject to any regulations in the articles of the company, also be appointed by the company in general meeting.

(c) At the first annual general meeting of a public company held next after the date of the general meeting at which the first directors are appointed in accordance with clauses (a) and (b) and at every subsequent annual general meeting, one-third of such of the directors for the time being as are liable to retire by rotation, or if their number is neither three nor a multiple of three, then, the number nearest to one-third, shall retire from office.

(d) The directors to retire by rotation at every annual general meeting shall be those who have been longest in office since their last appointment, but as between persons who became directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot.

(e) At the annual general meeting at which a director retires as aforesaid, the company may fill up the vacancy by appointing the retiring director or some other person thereto.

(2) (*a*) If the vacancy of the retiring director is not so filled-up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a holiday, at the same time and place.

(b) If at the adjourned meeting also, the vacancy of the retiring director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring director shall be deemed to have been re-appointed at the adjourned meeting, unless–

1. at that meeting or at the previous meeting a resolution for the re-appointment of such director has been put to the meeting and lost;
2. the retiring director has, by a notice in writing addressed to the company or its Board of directors, expressed his unwillingness to be so re-appointed;
3. he is not qualified or is disqualified for appointment;
4. a resolution, whether special or ordinary, is required for his appointment or re-appointment by virtue of any provisions of this Act; or
5. section 162 is applicable to the case.

APPOINTMENT OF DIRECTOR TO BE VOTE INDIVIDUALLY

154. (*1*) At a general meeting of a company, a motion for the appointment of two or more persons as directors of the company by a single resolution shall not be moved unless a proposal to move such a motion has first been agreed to at the meeting without any vote being cast against it.

(2) A resolution moved in contravention of sub-section (*1*) shall be void, whether or not any objection was taken when it was moved.

(3) A motion for approving a person for appointment, or for nominating a person for appointment as a director, shall be treated as a motion for his appointment.

155. (*1*) A person who is not a retiring director in terms of section 152 shall, subject to the provisions of this Act, be eligible for appointment to the office of a director at any general meeting, if he, or some member intending to propose him as a director, has, not less than fourteen days before the meeting, left at the registered office of the company, a notice in writing under his hand signifying his candidature as a director or, as the case may be, the intention of such member to propose him as a candidate for that office, along with the deposit of one lakh rupees or such higher amount as may be determined by central government which shall be refunded to such person or, as the case may be, to the member, if the person proposed get selected as a director or gets more than twenty-five per cent. of total valid votes cast either on show of hands or on poll on such resolution.

(*2*) The company shall inform its members of the candidature of a person for the office of director under sub-section (1) in such manner as may be determined by central government.

RESIGNATION OF DIRECTOR

156. (*1*) A director may resign from his office by giving a notice in writing to the company and the Board shall on receipt of such notice take note of the same and the company shall intimate the Registrar in such manner, within such time and in such form as may be determined by central government and shall also place the fact of such resignation in the report of directors laid in the immediately following general meeting by the company:

Provided that a director shall also forward a copy of his resignation along with detailed reasons for the resignation to the Registrar within thirty days of resignation in such manner as may be determined by Central Government.

(2) The resignation of a director shall take effect from the date on which the notice is received by the company or the date, if any, specified by the director in the notice, whichever is later:
Provided that the director who has resigned shall be liable even after his resignation for the offences which occurred during his tenure.

(3) Where all the directors of a company resign from their offices, or vacate their offices under Section 167 of the Act, the promoter or, in his absence, the Central Government shall appoint the required number of directors who shall hold office till the directors are appointed by the company in general meeting.

REGISTER OF DIRECTORS AND KEY MANAGERIAL PERSONNEL AND NOTIFICATION OF CHANGES TO REGISTRAR

157. The Company shall keep at its registered office, a Register of Director, Managing Director, Manager and Secretary and key managerial personnel of the Company containing the particulars as required by Section 170 of the Act and shall send to the Registrar a return in the prescribed form containing the particulars specified in the said register and shall notify to the Registrar any change among its Directors, Managing Directors, Manager, Secretary and key managerial personnel or any of the particulars contained in the register as required by Section 170 of the Act.

APPOINTMENT OF TECHNICAL OR EXECUTIVE DIRECTORS

158. a) The Board of Directors shall have the right from time to time to appoint any person or persons as Technical Director or Executive Director/s and remove any such persons from time to time without assigning any reason whatsoever. A Technical Director or Executive Director shall not be required to hold any qualification shares and shall not be entitled to vote at any meeting of the Board of Directors.

b) Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board

of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.

REMOVAL OF DIRECTORS

159. (*1*) A company may, by ordinary resolution, remove a director, not being a director appointed by the Tribunal under section 242, before the expiry of the period of his office after giving him a reasonable opportunity of being heard:

Provided that nothing contained in this sub-section shall apply where the company has availed itself of the option given to it under section 163 to appoint not less than two thirds of the total number of directors according to the principle of proportional representation.

(2) A special notice shall be required of any resolution, to remove a director under this section, or to appoint somebody in place of a director so removed, at the meeting at which he is removed.

(3) On receipt of notice of a resolution to remove a director under this section, the company shall forthwith send a copy thereof to the director concerned, and the director, whether or not he is a member of the company, shall be entitled to be heard on the resolution at the meeting.

(4) Where notice has been given of a resolution to remove a director under this section and the director concerned makes with respect thereto representation in writing to the company and requests its notification to members of the company, the company shall, if the time permits it to do so,—

(a) in any notice of the resolution given to members of the company, state the fact of the representation having been made; and

(b) send a copy of the representation to every member of the company to whom notice of the meeting is sent (whether before or after receipt of the representation by the company),

(c) and if a copy of the representation is not sent as aforesaid due to insufficient time or for the company's default, the director may without prejudice to his right to be heard orally require that the representation shall be read out at the meeting:

Provided that copy of the representation need not be sent out and the representation need not be read out at the meeting if, on the application either of the company or of any other person who claims to be aggrieved, the Tribunal is satisfied that the rights conferred by this sub-section are being abused to secure needless publicity for defamatory matter; and the Tribunal may order the company's costs on the application to be paid in whole or in part by the director notwithstanding that he is not a party to it.

(5) A vacancy created by the removal of a director under this section may, if he had been appointed by the company in general meeting or by the Board, be filled by the appointment of another director in his place at the meeting at which he is removed, provided special notice of the intended appointment has been given under sub-section (2).

(6) A director so appointed shall hold office till the date up to which his predecessor would have held office if he had not been removed.

(7) If the vacancy is not filled under sub-section (5), it may be filled as a casual vacancy in accordance with the provisions of this Act:

Provided that the director who was removed from office shall not be re-appointed as a director by the Board of Directors.

(8) Nothing in this section shall be taken -

(a) as depriving a person removed under this section of any compensation or damages payable to him in respect of the termination of his appointment as director as per the terms of contract or terms of his appointment as director, or of any other appointment terminating with that as director; or
(b) as derogating from any power to remove a director under other provisions of this Act.

ELIGIBILITY FOR RE-ELECTION

160. A retiring Director shall be eligible for re-election.

PROCEEDINGS OF DIRECTORS MEETINGS OF BOARD

161. (1) A minimum number of four meetings of its Board of Directors every year in such a manner that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board:

Provided that the Central Government may, by notification, direct that the provisions of this sub- section shall not apply in relation to any class or description of companies or shall apply subject to such exceptions, modifications or conditions as may be specified in the notification.

(2) The participation of directors in a meeting of the Board may be either in person or through video conferencing or other audio visual means, as may be determined by central government, which are capable of recording and recognising the participation of the directors and of recording and storing the proceedings of such meetings along with date and time:

Provided that the Central Government may, by notification, specify such matters which shall not be dealt with in a meeting through video conferencing or other audio visual means.

(3) A meeting of the Board shall be called by giving not less than seven days' notice in writing to every director at his address registered with the company and such notice shall be sent by hand delivery or by post or by electronic means:

Provided that a meeting of the Board may be called at shorter notice to transact urgent business subject to the condition that at least one independent director, if any, shall be present at the meeting:

Provided further that in case of absence of independent directors from such a meeting of the Board, decisions taken at such a meeting shall be circulated to all the directors and shall be final only on ratification thereof by at least one independent director, if any.

QUORUM

162. (*1*) The quorum for a meeting of the Board of Directors of a company shall be one third of its total strength or two directors, whichever is higher, and the participation of the directors by video conferencing or by other audio visual means shall also be counted for the purposes of quorum under this sub-section.

(2) 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 and for no other purpose.

(3) Where at any time the number of interested directors exceeds or is equal to two thirds of the total strength of the Board of Directors, the number of directors who are not interested directors and present at the meeting, being not less than two, shall be the quorum during such time.

(4) Where a meeting of the Board could not be held for want of quorum, then, unless the articles of the company otherwise provide, the meeting shall automatically stand adjourned to the same day at the same time and place in the next week or if that day is a national holiday, till the next succeeding day, which is not a national

holiday, at the same time and place.

DECISION OF QUESTIONS

163. Subject to the provisions of the Act, question arising at any meeting of the Board shall be decided by a majority of votes and in case of an equality of votes, the Chairman shall have a second or casting vote.

BOARD MAY APPOINT CHAIRMAN, CO-CHAIRMAN AND VICE CHAIRMAN

164. The Board may elect a Chairman, a Co-Chairman and a Vice Chairman of their Meetings and of the Company and determine the period for which he is to hold office. The Chairman or in his absence the Co- Chairman or the Vice Chairman shall be entitled to take the Chair at every General Meeting, whether Annual or Extraordinary, or if there be no such Chairman or Co-Chairman or Vice Chairman of the Board of Directors, or if at any Meeting neither of these shall be present within fifteen minutes of the time appointed for holding such Meeting, the Directors present may choose one of their members to be the Chairman of the Meeting of their meetings and determine the period for which he is to hold office, but if no such Chairman is elected or if at any meeting the Chairman is not present within ten minutes after the time appointed for holding the meeting, the Directors present may choose one of their members to be the Chairman of the Meeting.

POWER OF BOARD MEETING

165. A meeting of the Board at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions which by or under the Act or the Articles are for the time being vested in or exercisable by the Board generally.

166. Subject to the restrictions contained in Section 179 of the Act, the Board may delegate any of its power to a Committee of the Board consisting of such member or members of its body or any other person as it thinks fit and it may from time to time revoke and discharge any such committee of the Board so formed, shall in the exercise of the power so delegated confirm to any regulations that may from time to time be imposed on it by the Board. All acts done by such Committee of the Board in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.

MEETING OF THE COMMITTEE HOW TO BE GOVERNED

167. The meeting and proceedings of any such Committee of the Board consisting of two or more persons shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board, so far as the same are applicable thereto and are not superseded by any regulations made by the Board under the last preceding Article.

DEFECTS IN APPOINTMENT OF DIRECTORS NOT TO INVALIDATE ACTIONS TAKEN

168. No act done by a person as a director shall be deemed to be invalid, notwithstanding that it was subsequently noticed that his appointment was invalid by reason of any defect or disqualification or had terminated by virtue of any provision contained in this Act or in the articles of the company:

Provided that nothing in this section shall be deemed to give validity to any act done by the director after his appointment has been noticed by the company to be invalid or to have terminated.

PASSING OF RESOLUTION BY CIRCULATION

169. (*1*) No resolution shall be deemed to have been duly passed by the Board or by a committee thereof by circulation, unless the resolution has been circulated in draft, together with the necessary papers, if any, to all the directors, or members of the committee, as the case may be, at their addresses registered with the company in India by hand delivery or by post or by courier, or through such electronic means as may be determined by Central Government and has been approved by a majority of the directors or members, who are entitled to vote on the resolution:

Provided that, where not less than one-third of the total number of directors of the company for the time being require that any resolution under circulation must be decided at a meeting, the Chairperson shall put the resolution to be decided at a meeting of the Board.

(2) A resolution under sub-section (1) above shall be noted at a subsequent meeting of the Board or the committee thereof, as the case may be, and made part of the minutes of such meeting.

SPECIAL NOTICE

170. Where by any provision contained in the Act or in these Articles special notice is required for any resolution, notice of the intention to move the resolution shall be given to the Company by such number of members holding not less than one per cent of total voting power or holding shares on which such aggregate sum not exceeding five lakh rupees, as may be prescribed, has been paid-up, not less than fourteen days before the meeting at which it is to be moved exclusive of the day on which the notice is served or deemed to be served and the day of the meeting. The Company shall immediately after the notice of the intention to move any such resolution has been received by it, give its members notice of the resolution in the same manner as it gives notice of the meeting, or if that is not practicable, shall give them notice thereof either by advertisement in a newspaper having an appropriate circulation or in any other mode allowed by these presents not less than seven days before the meeting.

GENERAL POWERS OF THE BOARD

171. (*1*) The Board of Directors of a company shall be entitled to exercise all such powers, and to do all such acts and things, as the company is authorized to exercise and do:

Provided that in exercising such power or doing such act or thing, the Board shall be subject to the provisions contained in that behalf in this Act, or in the memorandum or articles, or in any regulations not inconsistent therewith and duly made thereunder, including regulations made by the company in general meeting:

Provided further that the Board shall not exercise any power or do any act or thing which is directed or required, whether under this Act or by the memorandum or articles of the company or otherwise, to be exercised or done by the company in general meeting.

(2) No regulation made by the company in general meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

CERTAIN POWERS TO BE EXERCISED BY THE BOARD ONLY AT MEETINGS

172. The Board of Directors of a company shall exercise the following powers on behalf of the company by means of resolutions passed at meetings of the Board, namely: -

(a) to make calls on shareholders in respect of money unpaid on their shares;
(b) to authorize buy-back of securities under section 68;
(c) to issue securities, including debentures, whether in or outside India;
(d) to borrow monies;
(e) to invest the funds of the company;
(f) to grant loans or give guarantee or provide security in respect of loans;
(g) to approve financial statement and the Board's report;
(h) to diversify the business of the company;
(i) to approve amalgamation, merger or reconstruction;
(j) to take over a company or acquire a controlling or substantial stake in another company;
(k) to make political contributions;
(l) to appoint or remove key managerial personnel (KMP);
(m) to take note of appointment(s) or removal(s) of one level below the Key Managerial Personnel;
(n) to appoint internal auditors and secretarial auditor;

(o) to take note of disclosure of director's interest and shareholding;
(p) to buy, sell investments held by the company (other than trade investments) constituting five percent or more of the paid up share capital and free reserve of the investee company;
(q) to invite and accept or renew public deposits and related matters;
(r) to review or change the terms and conditions of public deposit;
(s) to approve quarterly, half yearly and annual financial statements or financial results as the case may be.

Provided that the Board may, by a resolution passed at a meeting, delegate to any committee of directors, the managing director, the manager or any other principal officer of the company or in the case of a branch office of the company, the principal officer of the branch office, the powers specified in clauses (*d*) to (*f*) on such conditions as it may specify:

Nothing in this section shall be deemed to affect the right of the company in general meeting to impose restrictions and conditions on the exercise by the Board of any of the powers specified in this section.

RESTRICTIONS ON POWERS OF BOARD

173. (*1*) The Board of Directors of a company shall exercise the following powers only with the consent of the company by a special resolution, namely: -

(a) to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the company or where the company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings.

(b) to invest otherwise in trust securities the amount of compensation received by it as a result of any merger or amalgamation;

(c) to borrow money, where the money to be borrowed, together with the money already borrowed by the company will exceed aggregate of its paid-up share capital and free reserves, apart from temporary loans obtained from the company's bankers in the ordinary course of business:

Provided that the acceptance by a banking company, in the ordinary course of its business, of deposits of money from the public, repayable on demand or otherwise, and withdrawable by cheque, draft, order or otherwise, shall not be deemed to be a borrowing of monies by the banking company within the meaning of this clause.

(d) to remit, or give time for the repayment of, any debt due from a director.

(3) Every special resolution passed by the company in general meeting in relation to the exercise of the powers referred to in clause (*c*) of sub-section (*1*) shall specify the total amount up to which monies may be borrowed by the Board of Directors.

(4) Nothing contained in clause (*a*) of sub-section (*1*) shall affect -

(a) the title of a buyer or other person who buys or takes on lease any property, investment or undertaking as is referred to in that clause, in good faith; or
(b) the sale or lease of any property of the company where the ordinary business of the company consists of, or comprises, such selling or leasing.

(5) Any special resolution passed by the company consenting to the transaction as is referred to in clause (a) of sub-section (1) may stipulate such conditions as may be specified in such resolution, including conditions regarding the use, disposal or investment of the sale proceeds which may result from the transactions:
Provided that this sub-section shall not be deemed to authorise the company to effect any reduction in its capital except in accordance with the provisions contained in this Act.

(6) No debt incurred by the company in excess of the limit imposed by clause (c) of sub-section shall be valid or effectual, unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by that clause had been exceeded.

POWER TO BORROW

174. Subject to the provisions of Sections 73 and 180 of the Act, the Board may, from time to time at its discretion and by means of resolutions passed at its meeting accept deposits from members either in advance of calls or otherwise and generally, raise or borrow or secure the payment or any sum or sums of money for the purposes of the Company.

175. All the provisions applicable to nomination facility available to shareholder(s) and debenture holder(s) enumerated in these Articles shall equally apply to deposit holder(s) and the provisions of Section 72 of the Act shall also apply.

THE PAYMENT OR REPAYMENT OF MONEYS BORROWED

176. The payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board of Directors may think fit, and in particular in pursuance of a resolution passed at a meeting of the Board (and not by circular resolution) by the issue of bonds, debentures or debentures stock of the Company, charged upon all or any part of the property of the Company, (both present and future), including its un-called capital for the time being and the debentures and the debenture stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

BONDS, DEBENTURES, ETC. TO BE SUBJECT TO CONTROL OF DIRECTORS

177. Any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company shall be under the control of the Directors who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider to be for the benefit of the Company.

Provided that bonds, debentures, debenture-stock or other securities so issued or to be issued by the Company with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in general meeting.

CONDITION ON WHICH MONEY MAY BE BORROWED

178. The Board may raise or secure the payment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit and in particular by the issue of bonds, perpetual or redeemable debenture-stock or any mortgage, charge or other security on the undertaking of the whole or any part of the Company (both present and future) including its uncalled capital for the time being. The Board shall exercise such power only by means of resolutions passed at its meetings and not by circular resolutions.

TERMS OF ISSUE OF DEBENTURES

179. Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.

DEBENTURES WITH VOTING RIGHTS NOT BE ISSUED

180. (1) A company may issue debentures with an option to convert such debentures into shares, either wholly or partly at the time of redemption:

Provided that the issue of debentures with an option to convert such debentures into shares, wholly or partly, shall be approved by a special resolution passed at a general meeting.

(2) No company shall issue any debentures carrying any voting rights.

(3) Secured debentures may be issued by a company subject to such terms and conditions as may be determined by central government.

(4) Where debentures are issued by a company under this section, the company shall create a debenture redemption reserve account out of the profits of the company available for payment of dividend and the amount credited to such account shall not be utilized by the company except for the redemption of debentures.

(5) No company shall issue a prospectus or make an offer or invitation to the public or to its members exceeding five hundred for the subscription of its debentures, unless the company has, before such issue or offer, appointed one or more debenture trustees and the conditions governing the appointment of such trustees shall be such as may be determined by Central Government.

(6) A debenture trustee shall take steps to protect the interests of the debenture holders and redress their grievances in accordance with such rules as may be determined by Central Government.

(7) Any provision contained in a trust deed for securing the issue of debentures, or in any contract with the debenture-holders secured by a trust deed, shall be void in so far as it would have the effect of exempting a trustee thereof from, or indemnifying him against, any liability for breach of trust, where he fails to show the degree of care and due diligence required of him as a trustee, having regard to the provisions of the trust deed conferring on him any power, authority or discretion:

Provided that the liability of the debenture trustee shall be subject to such exemptions as may be agreed upon by a majority of debenture-holders holding not less than three fourths in value of the total debentures at a meeting held for the purpose.

(8) A company shall pay interest and redeem the debentures in accordance with the terms and conditions of their issue.

(9) Where at any time the debenture trustee comes to a conclusion that the assets of the company are insufficient or are likely to become insufficient to discharge the principal amount as and when it becomes due, the debenture trustee may file a petition before the Tribunal and the Tribunal may, after hearing the company and any other person interested in the matter, by order, impose such restrictions on the incurring of any further liabilities by the company as the Tribunal may consider necessary in the interests of the debenture-holders.

(10) Where a company fails to redeem the debentures on the date of their maturity or fails to pay interest on the debentures when it is due, the Tribunal may, on the application of any or all of the debenture-holders, or debenture trustee and, after hearing the parties concerned, direct, by order, the company to redeem the debentures forthwith on payment of principal and interest due thereon.

(11) If any default is made in complying with the order of the Tribunal under this section, every officer of the company who is in default shall be punishable with imprisonment for a term which may extend to three years or with fine which shall not be less than two lakh rupees but which may extend to five lakh rupees, or with both.

(12) A contract with the company to take up and pay for any debentures of the company may be enforced by a decree for specific performance.

(13) The Central Government may prescribe the procedure, for securing the issue of debentures, the form of debenture trust deed, the procedure for the debenture-holders to inspect the trust deed and to obtain copies thereof, quantum of debenture redemption reserve required to be created and such other matters.

EXECUTION OF INDEMNITY

181. If the Directors or any of them or any other persons shall become personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity against any loss which the Directors or any one or more of them may suffer by reason of becoming or being sureties or surety for the company.

CERTAIN POWERS OF THE BOARD

182. Without prejudice to the general powers conferred by these Articles and so as not in any way to limit or restrict those powers, but subject however to the provisions of the Act, it is hereby expressly declared that the Board shall have the following powers:

1. To pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment, and registration of the Company.

2. Subject to Sections 179 and 188 and other applicable provisions of the Act, to purchase or otherwise acquire for the Company any property, movable or immovable, rights or privileges which the Company is authorized to acquire at or for such price or consideration and generally on such terms and conditions as they may think fit and in any such purchase or other acquisition to accept such title as the Board may believe or may be advised to be reasonably satisfactory.

3. At its discretion and subject to the provisions of the Act, to pay for any property, rights, privileges acquired by or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures, mortgages or other securities of the Company and any such shares may be issued either as fully paid up or with such amount credited as fully paid up thereon as may be agreed upon and any such bonds, debentures, mortgages or other securities may be either specifically charges upon all or any part of the property of the Company including its uncalled capital or not so charges.

4. To secure the fulfillment of any contracts, agreements or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit.

5. To appoint and at its discretion, remove or suspend, such managers, secretaries, officers, clerks, agents and employees for permanent, temporary or special services as it may from time to time think fit and to determine their power and duties and fix their salaries, emoluments remuneration and to require security in such instances and of such amounts as it may think fit.

6. To accept from any member subject to the provisions of the Act, a surrender of his share or any part thereof on such terms and condition as shall be agreed.

7. To appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the Company or in which it is interested or for any other purpose and to execute and do all such deeds and things as may be required in relation to any such trust and to provide for the remuneration of such trustee or trustees.

8. To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company and also to compound and allow time for payment or satisfaction of any debts due or any claims or demands by or against the Company and to refer any difference to arbitration and observe and perform the terms of any awards made therein either according to Indian Law or according to Foreign Law and either in India or abroad and observe and perform or challenge any award made therein.

9. To refer any claims or demands by or against the Company or any difference to arbitration and observe and

perform the awards.

10. To act on behalf of the Company in all matters relating to bankruptcy and insolvency.

11. To make and give receipts, releases and other discharges for money payable to the Company and for the claims and demands of the Company.

12. To open and operate Bank Accounts, to determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purposes.

13. Subject to the provisions of the Act and these Articles from time to time to provide for the management of the affairs of the Company in or outside India in such manner as it may think fit and in particular to appoint any person to be the attorneys or agents of the Company with such person (including the power to sub-delegate) and upon such terms as may be though fit.

14. Subject to the provisions of Sections 179,180, 185 of Act and other applicable provisions of the Act and these Articles, to invest and deal with the moneys of the Company not immediately required for the purpose thereof in or upon such security (not being shares in this Company) or without security and in such manner as it may think fit and from time to time to vary or realize such investments save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.

15. To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur, any personal liability for the benefit of the Company, such mortgages of the Company's property (present and future) as it thinks fit and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed upon.

16. To distribute by way of bonus amongst the staff of the Company a share or shares in the profits of the Company and to give to any Director, officer or other person employed by the Company a commission on the profits of any particular business or transaction and to charge such bonus or commission as a part of working expenses of the Company.

17. To provide for the welfare of employees or ex-employees of the Company and the wives and families or the dependents or connections of such persons by building or contributing to the building of houses, dwellings or chawls or by grants of money, pension, gratuity, annuities, allowances, bonuses or other payments or by creating and from time to time subscribing or contributing to, provident fund and other associations institutions, funds or trusts and by providing or subscribing or contributing towards places of instruction or recreations, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit.

18. To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or objects which shall have any moral or other claim to support or aid by the Company either by reason of locality of operation or of public and general utility or otherwise.

19. Before recommending any dividend, to set aside, out of the profits of the Company, such sums as it may think proper for depreciation or to a depreciation fund or to an insurance fund or as a reserve fund or sinking fund or any special fund to meet contingencies to repay debentures or for debenture- stock or for special dividends or for equalizing dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes (including the purposes referred to in the last two preceding clauses) as the Board of Directors, may in its absolute discretion think conducive to the interest of the Company and subject to the provisions of the Act to invest the several sums so set aside or so much thereof as is required to be invested, upon such investments (other than shares of this Company) as it may think fit and from time to time deal with and vary such investments and dispose off and apply and expend all or any part the for the benefit of the Company, in such manner & for such purposes as the Board of Directors in its absolute

discretion think conducive to the interest of the Company notwithstanding that the matters to which the Board of Directors applies or upon which it expends the same or any part thereof may be matters to or upon which the capital moneys of the Company might rightly be applied or expended and to divide the general reserve fund into such special funds as the Board of Directors may think fit with full power to transfer the whole or any portion of a reserve fund or division of reserve fund to another reserve fund and with full power to employ the asset constituting all or any of the above funds including the depreciation fund in the business of the Company or in the purchase or repayment of debentures or debenture-stock and that without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with power however to the Board of Directors at its discretion to pay or allow to the credit of such funds, interest at such rate as the Board of Directors may think proper.

20. To pay and charge to the capital account of the Company any commission or interest lawfully payable under the provisions of the Act and of the provision contained in these presents.

21. From time to time make, vary and repeal by-laws for regulation of the business of the Company, its officers and servants.

22. To redeem redeemable preference shares.

23. Subject to provisions of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter in to all such negotiations and contracts and rescind and vary all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.

24. To undertake any branch or kind of business which the company is expressly or by implication authorized to undertake at such time or times as it shall think fit and to keep in abeyance any such branch or kind of business even though it may have been actually commenced or not, so long as the Board may deem it expedient not to commence or proceed with such branch or kind of business.

APPOINTMENT OF INDEPENDENT DIRECTOR

183. Pursuant to Section 149 and rules as may be applicable and subject to the provisions of Schedule IV the company shall appoint such number of independent directors from time to time as may be determined by the Central Government.

Every independent director shall at the first meeting of the Board in which he participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect his status as an independent director, give a declaration that he meets the criteria of independence.

Notwithstanding anything contained in any other provision of this Act, but subject to the provisions of sections 197 and 198, an independent director shall not be entitled to any stock option and may receive remuneration by way of fee provided under sub-section (5) of Section 197, reimbursement of expenses for participation in the Board and other meetings and profit related commission as may be approved by the members.

Subject to the provisions of section 152, an independent director shall hold office for a term up to five consecutive years on the Board of a company, but shall be eligible for reappointment on passing of a special resolution by the company and disclosure of such appointment in the Board's report.

No independent director shall hold office for more than two consecutive terms, but such independent director shall be eligible for appointment after the expiration of three years of ceasing to become an independent director:

Provided that an independent director shall not, during the said period of three years, be appointed in or be associated with the company in any other capacity, either directly or indirectly.

Notwithstanding anything contained in this Act -
(i) an independent director;
(ii) a non-executive director not being promoter or key managerial personnel,

shall be held liable, only in respect of such acts of omission or commission by a company which had occurred with his knowledge, attributable through Board processes, and with his consent or connivance or where he had not acted diligently.
The provisions of sub-sections (6) and (7) of section 152 in respect of retirement of directors by rotation shall not be applicable to appointment of independent directors.

KEY MANAGERIAL PERSONNEL

APPOINTMENT OF KEY MANAGERIAL PERSONNEL

184. (i) Subject to the provisions of Sections 203 and other applicable provisions, if any of the Act, Company shall appoint whole-time key managerial personnel by means of a resolution of the Board containing the terms and conditions of the appointment including the remuneration

(ii) A whole-time key managerial personnel shall not hold office in more than one company except in its subsidiary company at the same time:

Provided that nothing contained in this sub-clause shall disentitle a key managerial personnel from being a director of any company with the permission of the Board.

Provided further that whole-time key managerial personnel holding office in more than one company at the same time on the date of commencement of this Act, shall, within a period of six months from such commencement, choose one company, in which he wishes to continue to hold the office of key managerial personnel.

Provided also that a company may appoint or employ a person as its managing director ,if he is the managing director or manager of one, and of not more than one, other company and such appointment or employment is made or approved by a resolution passed at a meeting of the Board with the consent of all the directors present at the meeting and of which meeting, and of the resolution to be moved thereat, specific notice has been given to all the directors then in India.

(iii) If the office of any whole-time key managerial personnel is vacated, the resulting vacancy shall be filled-up by the Board at a meeting of the Board within a period of six months from the date of such vacancy

REMUNERATION OF KEY MANAGERIAL PERSONNEL

185. The remuneration of Key Managerial Personnel shall from time to time, be fixed by the Board and may be by way of salary or commission or participation in profits or by any or all of these modes or in any other form and shall be subject to the limitations prescribed in Schedule V along with Sections 196 and 197 of the Act.

DIRECTORS MAY CONFER POWER ON MANAGING DIRECTOR

186. Subject to the provisions of the Act and to the restrictions contained in these Articles, Board may from time to time entrust to and confer upon a Managing Director for the time being such of the powers exercisable by the Board under these Articles as it may think fit and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as it thinks expedient.

CERTAIN PERSONS NOT TO BE APPOINTED AS MANAGING DIRECTORS

187. No company shall appoint or continue the employment of any person as Managing Director, Whole-time Director or Manager who –

(a) is below the age of twenty-one years or has attained the age of seventy years:
Provided that appointment of a person who has attained the age of seventy years may be made by passing a special resolution in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such person;

(b) is an undischarged insolvent or has at any time been adjudged as an insolvent;

(c) has at any time suspended payment to his creditors or makes, or has at anytime made, a composition with them; or

(d) has at any time been convicted by a court of an offence and sentenced for a period of more than six months.
A person shall not be eligible for appointment as a director of a company if such person suffers any of the disqualifications provided under Section 164 of the Act.

188. Special to any contract between him and the Company, a Managing or Whole time Director shall not, while he continues to hold that office, be subject to retirement by rotation and he shall not be reckoned as a Director for the purpose of determining the rotation of retirement of Directors or in fixing the number of Directors to retire but (subject to the provision of any contract between him and the Company), he shall be subject to the same provisions as to resignation and removal as the Directors of the Company and shall, ipso facto and immediately, cease to be a Managing Director if he ceases to hold the office of Director from any cause.

189. The Company shall not appoint or employ at the same time more than one of the following categories of managerial personnel namely:-
a) Managing Director and
b) Manager.
and shall duly observe the provisions of Section 196 of the Act regarding prohibition of simultaneous appointment of different categories of managerial personnel therein referred to.

THE SECRETARY

190. The Board may, from time to time, appoint and at its discretion, remove any individual (hereinafter called the Secretary) to perform any function which by the Act are to be performed by the Secretary and to execute any other ministerial or administrative duties which may from time to time be assigned to the Secretary by the Board. The Board may also at any time appoint some persons (who need not be the Secretary) to keep the registers required to be kept by the Company. The appointment of Secretary shall conform to the provisions of Section 203 of the Act.

THE SEAL, ITS CUSTODY AND USE

191. The Board of Directors shall provide a Common Seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof and shall provide for the safe custody of the Seal for time being and the Seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board of Directors and except in the presence of at least two Director or such other person as the Directors may appoint for the purpose and the Directors or other persons aforesaid shall sign every instrument to which the Seal of the Company is so affixed in their presence.

MINUTES

192. (1) The Company shall cause minutes of all proceedings of every General Meeting and all proceedings of every meeting of its Board of /directors or of every Committee of the Board to be kept by making within thirty days of the conclusion of every such meeting concerned, entries thereof in books kept for that, their pages consecutively numbered.

(2) Each page of every such book shall be initialed or signed and the last Page of the record of proceedings of each meeting in such books shall be dated and signed.

(a) in the case of minutes of proceedings of a meeting of the Board or of a committee thereof, by the Chairman of the next succeeding meeting.

(b) In the case of minutes of proceedings of a General Meeting, by the Chairman of the same meeting within the aforesaid period of thirty days or in the event of the death or inability of that Chairman within that period, by a Director duly authorized by the Board for the purpose.

193. Minutes of proceedings of every General Meeting and of the proceedings of every meeting of the Board kept in accordance with the provisions of Article 191 above, shall be evidence of the proceedings recorded therein.

194. Where minutes of the proceedings of every General Meeting of the Company or of any meeting of the Board or of a Committee of the Board have been kept in accordance with the provisions of Article 192 above then, until the contrary is proved the meeting shall be deemed to have been duly called and held and all proceedings thereat to have duly taken place and in particular all appointments of Directors or liquidators made at the meeting shall be deemed to be valid.

195. (1) The books containing the minutes of the proceedings of any General Meeting of the Company shall be kept at the registered office of the Company and shall be open for inspection of members without charge between the hours 2 p.m. and 5 p.m. during business hours on each working day except Saturday

(2) Any member of the Company shall be entitled to be furnished, within seven days after he has made a request in writing in that behalf to the Company, with a copy of any minutes referred above on payment of such sum not exceeding Ten Rupees for every page thereof required to be copied.

(3) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.

(4) The minutes of different meetings shall contain a fair and correct summary of proceedings thereat.

(5) All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meeting.

(6) In the case of a meeting of the Board of Directors or of a committee of the Board, the minutes shall also contain -
(a) the names of the directors present at the meeting; and
(b) in the case of each resolution passed at the meeting, the names of the directors, if any, dissenting from, or not concurring with the resolution.

(7) Nothing contained in clauses (1) to (6) there shall not be included in the minutes, any matter which, in the opinion of the Chairman of the meeting -
(a) is or could reasonably be regarded as defamatory of any person; or
(b) is irrelevant or immaterial to the proceedings; or
(c) is detrimental to the interests of the company.

The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matters in the minutes on the grounds specified in this clause.

PRESUMPTIONS TO BE DRAWN WHERE MINUTES DULY DRAWN AND SIGNED.

196. Where minutes of the proceedings of any general meeting of the Company or of any meeting of its Board of Directors or a Committee of the Board have been kept in accordance with the provisions of Section 118 of the act then, until the contrary is proved, the meeting shall be deemed to have been duly called and held, and all proceedings thereat to have duly taken place and in particular all appointments of directors of Liquidators made at the meeting shall be deemed to be valid and the minutes shall be evidence of the proceedings recorded therein.

DIVIDENDS

197. (*1*) No dividend shall be declared or paid by a company for any financial year except -

(a) out of the profits of the company for that year arrived at after providing for depreciation or out of the profits of the company for any previous financial year or years arrived at after providing for depreciation in accordance with the provisions of that sub-section and remaining undistributed, or out of both; or

(b) out of money provided by the Central Government or a State Government for the payment of dividend by the company in pursuance of a guarantee given by that Government: Provided that a company may, before the declaration of any dividend in any financial year, transfer such percentage of its profits for that financial year as it may consider appropriate to the reserves of the company:

Provided further that where, owing to inadequacy or absence of profits in any financial year, any company proposes to declare dividend out of the accumulated profits earned by it in previous years and transferred by the company to the reserves, such declaration of dividend shall not be made except in accordance with such rules as may be determined by Central Government in this behalf:

Provided also that no dividend shall be declared or paid by a company from its reserves other than free reserves.

(2) The depreciation shall be provided in accordance with the provisions of Schedule II of the Act.

(3) The Board of Directors of a company may declare interim dividend during any financial year out of the surplus in the profit and loss account and out of profits of the financial year in which such interim dividend is sought to be declared:

Provided that in case the company has incurred loss during the current financial year up to the end of the quarter immediately preceding the date of declaration of interim dividend, such interim dividend shall not be declared at a rate higher than the average dividends declared by the company during the immediately preceding three financial years.

(4) The amount of the dividend, including interim dividend, shall be deposited in a scheduled bank in a separate account within five days from the date of declaration of such dividend.

(5) No dividend shall be paid by a company in respect of any share therein except to the registered shareholder of such share or to his order or to his banker and shall not be payable except in cash:

Provided that nothing in this sub-section shall be deemed to prohibit the capitalization of profits or reserves of a company for the purpose of issuing fully paid-up bonus shares or paying up any amount for the time being unpaid on any shares held by the members of the company:

Provided further that any dividend payable in cash may be paid by cheque or warrantor in any electronic mode to the shareholder entitled to the payment of the dividend.

(6) A company which fails to comply with the provisions of sections 73 and 74 shall not, so long as such failure continues, declare any dividend on its equity shares.

DIVIDEND TO JOINT HOLDERS

198. Any one of several persons who are registered as joint holders of any Shares may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such Shares.

199. 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.

No amount paid or credited as paid on a share in advance of calls shall be treated as paid up on the share.

APPORTIONMENT OF DIVIDENDS

200. All dividends shall be apportioned and paid proportionate 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.

DECLARATION OF DIVIDENDS

201. The Company in General Meeting may, subject to the provisions of Section 123 of the Act, declare a dividend to be paid to the members according to their right and interests in the profits and may fix the time for payment.

RESTRICTION ON AMOUNT OF DIVIDEND

202. No larger dividend shall be declared than is recommended by the Board, but the Company in General Meeting may declare a smaller dividend.

DIVIDEND OUT OF PROFITS ONLY AND NOT TO CARRY INTEREST

203. (1) No dividend shall be payable except out of the profits of the Company arrived at as stated in Section 123 of the Act.

(2) The declaration of the Board as to the amount of the net profits of the Company shall be conclusive.

INTERIM DIVIDENDS

204. The Board of Directors may from time to time pay the members such interim dividends as appears to it to be justified by the profits of the Company in accordance with Section 123 of the Act.

DEBTS MAY BE DEDUCTED

205. The Board may retain any dividends payable on shares on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which lien exists.

DIVIDEND AND CALL TOGETHER

206. Any General Meeting declaring a dividend may make a call on the members of such amount as the meeting fixes but so that the call on each members shall not exceed the dividend payable on him and so that the call may be made payable at the same time as the dividend and dividend may; if so arranged between the Company and the member, be set off against the call.

EFFECT OF TRANSFER

207. Right to dividend, right shares and bonus shares shall be held in abeyance pending registration of transfer of shares in conformity with the provision of Section 126 of the Act.

RETENTION IN CERTAIN CASES

208. The Board may retain the dividends payable upon shares in respect of which any person is, under Articles entitled to become a Member, which any person under that Article is entitled to transfer, until such person shall become a member in respect of such shares or shall duly transfer the same.

NO MEMBER TO RECEIVE INTEREST OR DIVIDEND WHILST INDEBTED TO THE COMPANY AND COMPANY'S RIGHT TO REIMBURSEMENT THERE OUT

209. No member shall be entitled to receive payment of an interest or dividend in respect of his own share or shares whilst any money may be due or owing from him to the Company in respect of such share or shares otherwise howsoever either alone or jointly with any other person or persons and the Board may deduct from the interest or dividend payable to any shareholder all sums or money so due from him to the Company.

PAYMENT BY POST

210. Any dividend payable in cash may be paid by cheque or warrant sent through the post directly to the registered address of the shareholder entitled to the payment of the dividend or in the case of joint shareholders to the registered address of that one whose name stands first on the Register of Members in respect of the joint shareholding or to such persons and to such address as the shareholders of the joint shareholders may in writing direct and every cheque or warrant so send shall be made payable to the order of the person to whom it is sent and the Company shall not be responsible or liable for any cheque or warrant lost in transit or for any dividend lost to the member or person entitled thereto by the forged endorsement of any cheque or warrant of the fraudulent recovery thereof by any other means. The Company may, if it thinks fit, call upon the shareholders when applying for dividends or bonus to produce their share certificates at the registered office or other place where the payment of dividend is to be made.

DIVIDEND TO BE PAID WITHIN THIRTY DAYS

211. The Company shall pay dividend or send the warrant in respect thereof to the shareholder entitled to the payment of the dividend within Thirty days from the date of the declaration of the dividend unless:

(a) the dividend could not be paid by reason of the operation of any law or

(b) a shareholder has given directions to the Company regarding the payment of dividend and these directions cannot be complied with or

(c) there is dispute, regarding the right to receive the dividend or

(d) the dividend has been lawfully adjusted by the Company against any sum due to it from the shareholder or

(e) for any other reason, the failure to pay the dividend or to post the warrant within the period aforesaid was not due to any default on the part of the Company.

UNPAID OR UNCLAIMED DIVIDEND

212. (*1*) Where a dividend has been declared by a company but has not been paid or claimed within thirty days from the date of the declaration to any shareholder entitled to the payment of the dividend, the company shall, within seven days from the date of expiry of the said period of thirty days, transfer the total amount of dividend which remains unpaid or unclaimed to a special account to be opened by the company in that behalf in any scheduled bank to be called the Unpaid Dividend Account.

(2) The company shall, within a period of ninety days of making any transfer of an amount under sub- section (*1*) to the Unpaid Dividend Account, prepare a statement containing the names, their last known addresses and the unpaid dividend to be paid to each person and place it on the website of the company, if any, and also on any other website approved by the Central Government for this purpose, in such form, manner and other particulars as may be determined by central government.

(3) If any default is made in transferring the total amount referred to in sub-section (*1*)or any part thereof to the Unpaid Dividend Account of the company, it shall pay, from the date of such default, interest on so much of

the amount as has not been transferred to the said account, at the rate of twelve per cent per annum and the interest accruing on such amount shall endure to the benefit of the members of the company in proportion to the amount remaining unpaid to them.

(4) Any person claiming to be entitled to any money transferred under sub-section (*1*)to the Unpaid Dividend Account of the company may apply to the company for payment of the money claimed.

(5) Any money transferred to the Unpaid Dividend Account of a company in pursuance of this section which remains unpaid or unclaimed for a period of seven years from the date of such transfer shall be transferred by the company along with interest accrued, if any, thereon to the Fund established under sub-section (*1*) of section 125 and the company shall send a statement in the prescribed form of the details of such transfer to the authority which administers the said Fund and that authority shall issue a receipt to the company as evidence of such transfer.

(6) All shares in respect of which unpaid or unclaimed dividend has been transferred under sub-section (*5*) shall also be transferred by the company in the name of Investor Education and Protection Fund along with a statement containing such details as may be determined by central government and that there shall be no forfeiture of unclaimed dividends before the claim becomes barred by law: Provided that any claimant of shares transferred above shall be entitled to claim the transfer of shares from Investor Education and Protection Fund in accordance with such procedure and on submission of such documents as may be determined by Central Government.

CAPITALIZATION OF RESERVES

213. (a) Any General Meeting may, upon the recommendation of the Board resolve that any moneys, investments or other assets forming part of the undistributed profits of the Company standing to the credit of any of the profit and loss account or any capital redemption reserve fund or in hands of the Company and available for dividend or representing premium received on the issue of shares and standing to the credit of the share premium account be capitalized and distributed amongst such of the shareholders as would be entitled to receive the same if distributed by way of dividend and in the same proportions on the footing that they become entitled thereto as capital and that all or any part of such capitalized fund shall not be paid in cash but shall be applied subject to the provisions contained in clause (b) hereof on behalf of such shareholders in full or towards:

(1) Paying either at par or at such premium as the resolution may provide any unissued shares or debentures or debenture-stock of the Company which shall be allotted, distributed and credited as fully paid up to and amongst such members in the proportions aforesaid; or

(2) Paying up any amounts for the time being remaining unpaid on any shares or debentures or debenture-stock held by such members respectively; or

(3) Paying up partly in the way specified in sub-clause (1) and partly in that specified in sub-clause (2) and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalized sum.

(b) (1) Any moneys, investments or other assets representing premium received on the issue of shares and standing to the credit of share premium account; and

(2) If the Company shall have redeemed any redeemable preference shares, all or any part of any capital redemption fund arising from the redemption of such shares may, by resolution of the Company be applied only in paying up unissued shares of the Company to be issued to members of the Company as fully paid bonus shares to be issued to such members of the Company as the General Meeting may resolve upto an amount equal to the nominal amount of the shares so issued.

(c) Any General Meeting may resolve that any surplus moneys arising from the realization of any capital assets of

the Company or any investments representing the same or any other undistributed profits of the Company not subject to charge for income-tax be distributed amongst the members on the footing that they receive the same as capital.

(d) For the purpose of giving effect to any such resolution, the Board may settle any difficulty which may arise in regard to the distribution of payment as aforesaid as it thinks expedient and in particular it may issue fractional certificates and may fix the value for distribution of any specific assets and may determine that cash payments be made to any members on the footing of the value so fixed and may vest any such cash, share, debentures, debenture-stock, bonds or other obligation in trustees upon such trust for the persons entitled thereto as may seem expedient to the Board and generally may make such arrangement for acceptance, allotment and sale of such shares, debentures, debenture-stock, bonds or other obligations and fractional certificates or otherwise as it may think fit.

(e) If and whenever any share becomes held by any member in fraction, the Board may subject to the provisions of the Act and these Articles and to the directions of the Company in General Meeting, if any, sell the shares which members hold in fractions for the best price reasonably obtainable and shall pay and distribute to and amongst the members entitled to such shares in due proportion the net proceeds of the sale thereof, for the purpose of giving effect to any such sale, the Board may authorize any person to transfer the shares sold to the purchaser thereof, comprised in any such transfer and he 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 of invalidity in the proceedings with reference to the sale.

(f) Where required; a proper contract shall be delivered to the Registrar for registration in accordance with Section 39 of the Companies Act 2013 and the Board may appoint any person to sign such contract on behalf of the persons entitled to the dividend or capitalized fund and such appointment shall be effective.

FRACTIONAL CERTIFICATES

214. (1) Whenever such a resolution as aforesaid shall have been passed, the Board shall;
(a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid Shares and
(b) Generally do all acts and things required to give effect thereto.

(2) The Board shall have full power:
(a) to make such provision by the issue of fractional cash certificate or by payment in cash or otherwise as it thinks fit, in the case of Shares becoming distributable in fractions, also
(b) to authorize any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further Shares to which they may be entitled upon such capitalization or (as the case may require) for the payment by the Company on their behalf by the application thereof of the respective proportions of the profits resolved to be capitalised of the amounts remaining unpaid on their existing Shares.

(3) Any agreement made under such authority shall be effective and binding on all such Members.

(4) that for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any question or difficulties that may arise in regard to any issue including distribution of new Shares and fractional certificates as they think fit.

DIVIDEND IN CASH

215. No dividends shall be payable except in cash, provided that nothing in this Article shall be deemed to prohibit the capitalization of the profits or reserves of the Company for the purpose of issuing fully paid up bonus Shares or paying up any amount for the time being unpaid on any Shares held by Members of the Company.

216. The Board shall give effect to the resolution passed by the Company in pursuance of all the above Articles.

BOOKS OF ACCOUNTS BOOKS OF ACCOUNTS TO BE KEPT

217. The Company shall cause to be kept proper books of account with respect to:
(i) all sums of money received and expended by a company and matters in relation to which the receipts and expenditure take place;
(ii) all sales and purchases of goods and services by the company;
(iii) the assets and liabilities of the company; and
(iv) the items of cost as may be determined by Central Government under section 148 in the case of a company which belongs to any class of companies specified under that section;

BOOKS WHERE TO BE KEPT AND INSPECTION

218. (1) Every company shall prepare and keep at its registered office books of account and other relevant books and papers and financial statement for every financial year which give a true and fair view of the state of the affairs of the company, including that of its branch office or offices, if any, and explain the transactions effected both at the registered office and its branches and such books shall be kept on accrual basis and according to the double entry system of accounting.
All or any of the books of account aforesaid and other relevant papers may be kept at such other place in India as the Board of Directors may decide and where such a decision is taken, the company shall, within seven days thereof, file with the Registrar a notice in writing giving the full address of that other place. The company may keep such books of account or other relevant papers in electronic mode in such manner as may be determined by Central Government.

(2) Where a company has a branch office in India or outside India, it shall be deemed to have complied with the provisions of sub-clause (*1*), if proper books of account relating to the transactions effected at the branch office are kept at that office and proper summarized returns periodically are sent by the branch office to the company at its registered office or the other place referred to in sub-clause (*1*).

(3) The books of account of every company relating to a period of not less than eight financial years immediately preceding a financial year, or where the company had been in existence for a period less than eight years, in respect of all the preceding years together with the vouchers relevant to any entry in such books of account shall be kept in good order.
(4) The Company may keep such books of accounts or other relevant papers in electronic mode in such manner as may be prescribed.

INSPECTION BY MEMBERS

219. The Board of Directors shall, from time to time, determine whether and to what extent and at what times and places and under what conditions or regulations accounts the and books and the documents of the Company or any of them shall be open to the inspection of the members and no member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred statute or authorised by the Board of Directors or by a resolution of the Company in General Meeting.

TRANSFER BOOKS AND REGISTER OF MEMBERS WHEN CLOSED

220. The Board shall have power on giving not less than seven days' previous notice by advertisement in some newspaper circulating in the district in which the office of the Company is situated, to close the Transfer books, the Register of members or Register of debenture holders at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty-five days in each year.

If the transfer books have not been closed at any time during a year, the Company shall at least once a year, close the books at the time of its Annual General Meeting. The minimum time gap between the two book closures and/or record dates would be at least 30 (thirty) days.

STATEMENT OF ACCOUNTS TO BE LAID IN GENERAL MEETING

221. The Board of Directors shall from time to time, in accordance with Sections 129 and134 of the Act, cause to be prepared and to be laid before the Company in General Meeting, such Balance Sheets, Profits & Loss Accounts and reports as are required by these Sections.

FINANCIAL STATEMENT

222. Subject to the provisions of Section 129 of the Act, every Financial Statement of the Company shall be in the forms set out in Schedule II of the Act, or as near there to as circumstances admit. So long as the Company is a holding Company having a subsidiary the Company shall conform to Section 129 and other applicable provisions of the Act.

If in the opinion of the Board, any of the current assets of the Company have not a value on realization in the ordinary course of business at least equal to the amount at which they are stated, the fact that the Board is of that option shall be stated.

AUTHENTICATION OF FINANCIAL STATEMENT

223. The Financial Statements shall be signed in accordance with the provisions of Section 134 of the said Act. The Financial Statement, shall be approved by the Board of Directors before they are submitted to the auditors for report thereon. Profit and Loss Accounts to be Annexed and Auditors' Report to be attached to the Balance Sheet. The Profit and Loss Account shall be annexed to the Balance and the Auditors' Report including the Auditor's separate, special or supplementary report, if any, shall be attached thereon.

BOARD'S REPORT TO BE ATTACHED TO FINANCIAL STATEMENT

224. Every Financial Statement laid before the Company in General Meeting shall have attached to it a Report by the Board of Directors with respect to the State of the Company's affairs and such other matters as prescribed under Section 134 of the Act and the Rules made thereunder. The Report shall so far as it is material for the appreciation of the state of the Company's affairs by its members and will not in the Board's opinion be harmful to the business of the Company or of any of its subsidiaries deal with any changes which have occurred during the financial year in the nature of the Company or Company's business, or of the Company's subsidiaries or in the nature of the business in which the Company has an interest. The board shall also give the fullest information and explanation in its Report or in cases falling under the proviso to Section 129 of the Act in an addendum to that Report, on every reservation, qualification or adverse remark contained in the Auditor's Report. The Board's Report and addendum (if any) thereto shall be signed by its Chairman if he is authorized in that behalf by the Board; and where he is not so authorized shall be signed by such number of Directors as are required to sign the Financial Statements of the Company by virtue of Article 229. Every Financial Statement of the Company when audited and approved and adopted by the members in the annual general meeting shall be conclusive except as regards in matters in respect of which modifications are made thereto as may from time to time be considered necessary by the Board of Directors and or considered proper by reason of any provisions of relevant applicable statutes and approved by the shareholders at a subsequent general meeting.

RIGHT OF MEMBERS TO COPIES OF FINANCIAL STATEMENT AND AUDITOR'S REPORT

225. A copy of every Financial Statement and the auditor's report and every other document required by law to be annexed or attached, as the case may be; to the balance sheet which is to be laid before the Company in General Meeting, shall be made available for inspection at the Registered Office of the Company during the working hours for a period of 21 days before the date of the meeting. A statement containing the salient features of such documents in the prescribed form or copies of the documents aforesaid as may be permitted by Section 136 of the Act and as the Company may deem fit, will be sent to every member of the Company and to every Trustees for the holders of any debentures issued by the Company, not less than 21 days before the meeting as laid down in Section 136 of the Act. Provided that it shall not be necessary to send copies of the documents aforesaid to:

(a) to a member or holder of the debenture of the Company who is not entitled to have the notice of general

meeting of the Company sent to him and whose address the Company is unaware;

(b) to more than one of the joint holder of any shares or debentures some of whom are and some of whom are not entitled to have such notice sent to them, by those who are not so entitled.

A COPY OF THE FINANCIAL STATEMENT ETC. TO BE FILED WITH REGISTRAR

226. After the Financial Statements have been laid before the Company at the annual general Meeting, a copy of the Financial Statement duly signed as provided under Section 137 of the Act together with a copy of all documents which are required to be annexed there shall be filed with the Registrar so far as the same be applicable to the Company.

RIGHT OF MEMBER TO COPIES OF AUDITED FINANCIAL STATEMENT

227. (1) Without prejudice to the provisions of Section 101, a copy of the financial statements, including consolidated financial statements, if any, auditor's report and every other document required by law to be annexed or attached to the financial statements, which are to be laid before a company in its general meeting, shall be sent to every member of the company, to every trustee for the debenture- holder of any debentures issued by the company, and to all persons other than such member or trustee, being the person so entitled, not less than twenty-one days before the date of the meeting.

The provisions of this clause shall be deemed to be complied with, if the copies of the documents are made available for inspection at its registered office during working hours for a period of twenty-one days before the date of the meeting and a statement containing the salient features of such documents in the prescribed form or copies of the documents, as the company may deem fit, is sent to every member of the company and to every trustee for the holders of any debentures issued by the company not less than twenty-one days before the date of the meeting unless the shareholders ask for full financial statements.

The Central Government may prescribe the manner of circulation of financial statements of companies having such net worth and turnover as may be determined by Central Government and company shall also place its financial statements including consolidated financial statements, if any, and all other documents required to be attached thereto, on its website, which is maintained by or on behalf of the company.

Provided also that every subsidiary or subsidiaries shall-

(a) place separate audited accounts in respect of each of its subsidiary on its website, if any;

(b) provide a copy of separate audited financial statements in respect of each of its subsidiary, to any shareholder of the company who asks for it.

(*2*) A company shall allow every member or trustee of the holder of any debentures issued by the company to inspect the documents stated under sub-clause (*1*) at its registered office during business hours.

ACCOUNTS TO BE AUDITED

228. (1) Once at least in every year the accounts of the Company shall be examined by one or more Auditors who shall report to the shareholders as to whether the Balance Sheet reflects a true and fair view of the state of affairs of the Company as at that date and the Profit and Loss Account discloses a true and fair view of the profit and loss incurred by the Company during the year under review.

(2) The appointment, remuneration, rights, powers & duties of the Company's Auditor shall be regulated in accordance with the provision of the Act.

APPOINTMENT OF AUDITORS

229. (1) Auditors shall be appointed and their qualifications, rights and duties regulated in accordance with Section 139 to 143, 145 and 146 of the Act and rules made thereunder.

(2) The Company shall, at the first annual general meeting, appoint an individual or a firm as an auditor who shall hold office from the conclusion of that meeting till the conclusion of its sixth annual general meeting and

thereafter till the conclusion of every sixth meeting and the manner and procedure of selection of auditors by the members of the company at such meeting shall be according to the provisions of the Act.

Provided that the company shall place the matter relating to such appointment for ratification by members at every annual general meeting.

Provided further that before such appointment is made, the written consent of the auditor to such appointment, and a certificate from him or it that the appointment, if made, shall be in accordance with the conditions as may be determined by central government, shall be obtained from the auditor: Provided also that the certificate shall also indicate whether the auditor satisfies the criteria provided in Section 141:

Provided also that the company shall inform the auditor concerned of his or its appointment, and also file a notice of such appointment with the Registrar within fifteen days of the meeting in which the auditor is appointed.

(a) At any Annual General Meeting a retiring Auditor by whatsoever authority appointed shall be reappointed unless: he is not disqualified for re-appointment;
(b) he has not given the company a notice in writing of his unwillingness to be re-appointed; and
(c) a special resolution has not been passed at that meeting appointing some other auditor or providing expressly that he shall not be re-appointed.

(3) The company shall not appoint or reappoint -
(a) an individual as auditor for more than one term of five consecutive years; and
(b) an audit firm as auditor for more than two terms of five consecutive years: Provided that—
(i) an individual auditor who has completed his term under clause (*a*) shall not be eligible for re-appointment as auditor in the same company for five years from the completion of his term.
(ii) an audit firm which has completed its term under clause (*b*), shall not be eligible for re- appointment as auditor in the same company for five years from the completion of such term.
(4) Where at any annual general meeting, no auditor is appointed or re-appointed, the existing auditor shall continue to be the auditor of the company.

POWER OF BOARD TO MODIFY FINAL ACCOUNTS

230. Every Balance Sheet and Profit and Loss Account of the Company when audited and adopted by the Company in General Meeting shall be conclusive.

DOCUMENTS AND NOTICE

SERVICES OF DOCUMENTS ON MEMBER BY COMPANY

231. Save as provided in this Act or the rules made thereunder for filing of documents with the Registrar in electronic mode, a document may be served on Registrar or any member by sending it to him by post or by registered post or by speed post or by courier or by delivering at his office or address, or by such electronic or other mode as may be determined by Central Government:

Provided that a member may request for delivery of any document through a particular mode, for which he shall pay such fees as may be determined by the company in its annual general meeting.

SERVICE OF DOCUMENTS ON COMPANY

232. A document may be served on a company or an officer thereof by sending it to the company or the officer at the registered office of the company by registered post or by speed post or by courier service or by leaving it at its registered office or by means of such electronic or other mode as may be determined by central government:

Provided that where securities are held with a depository, the records of the beneficial ownership may be served by such depository on the company by means of electronic or other mode.

"SERVICE OF DOCUMENTS ON THE COMPANY"

233. 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 other mode in accordance with the Act and rules made thereunder.

AUTHENTICATION OF DOCUMENTS AND PROCEEDINGS

234. Save as otherwise expressly provided in the Act, the rules made thereunder and these Articles, a document or proceeding requiring authentication by a company; or contracts made by or on behalf of a company, may be signed by any key managerial personnel or an officer of the company duly authorized by the Board in this behalf.

REGISTERS AND DOCUMENTS

REGISTERS AND DOCUMENTS TO BE MAINTAINED BY THE COMPANY

235. The Company shall keep and maintain registers, books and documents required by the Act or these Articles, including the following:
(a) Register of investments made by the Company but not held in its own name, as required by Section 187(3) of the Act.
(b) Register of mortgages and charges as required by Section85 of the Act.
(c) Register and index of Member and debenture holders as required by Section 88 of the Act.
(d) Register of contracts, with companies and firms in which Directors are interested as required by Section 189 of the Act.
(e) Register of Directors and key managerial personnel and their shareholding under Section170 of the Act.
(f) Register of loans, guarantee, security and acquisition made by the company under Section 186 (9) of the Act.
(g) Copies of annual returns prepared under Section 92 of the Act together with the copies of certificates and documents required to be annexed thereto.

MAINTENANCE AND INSPECTION OF DOCUMENTS IN ELECTRONIC FORM

236. Without prejudice to any other provisions of this Act, any document, record, register, minutes, etc.,—
(a) required to be kept by a company; or
(b) allowed to be inspected or copies to be given to any person by a company under this Act, may be kept or inspected or copies given, as the case may be, in electronic form in such form and manner as may be determined by the Central Government.

INDEMNITY

237. 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.

WINDING UP DISTRIBUTION OF ASSETS

238. (a) If the Company shall be wound up, whether voluntarily or otherwise, the Liquidator may, with the sanction of a Special Resolution, divide amongst the contributories in specie or kind, any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories or any of them, as the liquidator, with the like sanction, shall think fit.

(b) If thought expedient any such division may subject to the provisions of the Act be otherwise than in accordance with the legal rights of the contributions (except where unalterably fixed by the Memorandum of Association and in particular any class may be given preferential or special rights or may be excluded

altogether or in part but in case any division otherwise than in accordance with the legal rights of the contributories, shall be determined on any contributory who would be prejudicial thereby shall have a right to dissent and ancillary rights as if such determination were a Special Resolution passed pursuant to Section 319 of the Act.

(c) In case any Shares to be divided as aforesaid involve a liability to calls or otherwise any person entitled under such division to any of the said Shares may within ten days after the passing of the Special Resolution by notice in writing direct the Liquidator to sell his proportion and pay him the net proceeds and the Liquidator shall, if practicable act accordingly.

RIGHT OF SHAREHOLDERS IN CASE OF SALE

239. A Special Resolution sanctioning a sale to any other Company duly passed pursuant to provisions of the Companies Act, 2013may subject to the provisions of the Act in like manner as aforesaid determine that any Shares or other consideration receivable by the liquidator be distributed against the Members otherwise than in accordance with their existing rights and any such determination shall be binding upon all the Members subject to the rights of dissent and consequential rights conferred by the said sanction

SECRECY CLAUSE

240. No member or other person (not being a Director) shall be entitled to visit or inspect any property or premises or works of the Company without the permission of the Board or to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process or any other matter which may relate to the conduct of the business of the Company and which in the opinion of the Board, it would be inexpedient in the interest of the Company to disclose Secrecy undertaking.

241. Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee agents, officer, servant, accountant or other person employed in the business of the Company shall, when required, sign a declaration pledging himself to observe strict secrecy respecting all transactions of the Company with the customers and the state of accounts with individual and in matters relating thereto and shall by such declaration pledge himself not to reveal any of the matters which my come to his knowledge in the discharge of his duties, except when required so to do by the Board or by any meeting of the shareholders, if any or by a Court of Law the person to whom matters relate and except so far as may be necessary in order to comply with any of the provision in these present contained.

KNOWLEDGE IMPLIED

242. Each member of the Company, present and future, is to be deemed to join the Company with full knowledge of all the contents of these presents.

SECTION X – OTHER INFORMATION

MATERIAL CONTRACTS AND MATERIAL DOCUMENTS

The copies of the following contracts which have been entered or are to be entered into by the Company (not being contracts entered into in the ordinary course of business carried on by the Company or contracts entered into more than two years before the date of this Prospectus) which are or may be deemed material will be attached to the copy of the Prospectus delivered to the RoC for registration. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from Application/Issue Opening Date until the Application/Issue Closing Date.

A. Material Contracts

1. Memorandum of Understanding dated May 03, 2019 and addendum dated June 04, 2019 between our Company and the Lead Manager.

2. Memorandum of Understanding dated April 15, 2019 between our Company and the Registrar to the Issue.

3. Escrow Agreement dated May 27, 2019 between our Company, the Lead Manager, Banker(s) to the Issue, Sponsor Bank and the Registrar to the Issue.

4. Market Making Agreement dated May 13, 2019 and addendum dated June 04, 2019 between our Company, the Lead Manager and Market Maker.

5. Underwriting Agreement dated May 03, 2019 and addendum dated June 04, 2019 between our Company, the Lead Manager and Market Maker.

6. Tripartite agreement between the NSDL, our Company and the Registrar dated April 19, 2017.

7. Tripartite agreement between the CDSL, our Company and the Registrar dated April 11, 2017.

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 Meera Industries Private Limited

3. Fresh certification dated March 09, 2017, granted by the RoC, Ministry of Corporate Affairs, Government of India, upon change of name consequent conversion from Private Company to Public Company;

4. Resolution of the Board of Directors meeting dated December 21, 2018 authorizing the Issue.

5. Shareholders' resolution passed at the EGM dated January 16, 2019 authorizing the Issue.

6. Auditor's report for Restated Financials dated May 17, 2019 and amended Capitalisation Statement dated June 04, 2019, included in this Prospectus.

7. The Statement of Tax Benefits dated May 17, 2019 from our Statutory Auditors.

8. Consent of our Directors, Chief Financial Officer, Company Secretary and Compliance Officer, Statutory Auditor, Lead Manager, Banker to the Company, Legal Advisor to the Issue, Banker to the Issue & Sponsor Bank, Registrar to the Issue, Market Maker and Underwriter as referred to in their specific capacities.

9. Due Diligence Certificate(s) dated June 04, 2019 of the Lead Manager to be submitted to SEBI along with the filing of the Prospectus.

10. Approval from BSE vide letter dated June 03, 2019 to use the name of BSE in this Issue Document for listing of Equity Shares on the SME Platform of the BSE.

Any of the contracts or documents mentioned in this Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We, hereby declare that, all the relevant provisions of the Companies Act, 1956, Companies Act, 2013 (to the extent notified) and the Guidelines issued by the Government of India or the Regulations or Guidelines issued by the Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in the Prospectus is contrary to the provisions of the Companies Act, 1956, Companies Act, 2013 (to the extent notified),the Securities and Exchange Board of India Act, 1992, each as Amended or Rules made there under or Guidelines / Regulations issued, as the case may be. We further certify that all the disclosures and statements made in the Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY:

Sd/- _____	**Mr. Dharmesh V. Desai** Chairman & Managing Director
Sd/- _____	**Mrs. Bijal D. Desai** Wholetime Director
Sd/- _____	**Mr. Mayank Y. Desai** Non Executive Non Independent Director
Sd/- _____	**Mr. Hetal Mehta** Non Executive Independent Director
Sd/- _____	**Mr. Sanjay N. Mehta** Non Executive Independent Director

SIGNED BY THE CHIEF FINANCIAL OFFICER

Sd/- _____	**Mr. Vinod S. Ojha** Chief Financial Officer

SIGNED BY THE COMPANY SECRETARY AND COMPLIANCE OFFICER

Sd/- _____	**Ms. Bhavisha K. Khakhkhar** Company Secretary and Compliance Officer

Date: June 04, 2019
Place: Surat, Gujarat