Book Built Issue



### CABCON INDIA LIMITED

Corporate Identity Number: - U31200WB1991PLC050809

Our Company was originally incorporated as "Cabcon India Private Limited" on February 1, 1991 vide Registration Certificate No. 21-50809 of 1991 under the provisions of the Companies Act, 1956 with the Registrar of Companies, West Bengal, Kolkata. Further, pursuant to Special Resolution passed by the shareholders at the Extra Ordinary General Meeting held on April 18, 2018, our company was converted into a Public Limited Company and consequently the name of our Company was changed form "Cabcon India Private Limited" to "Cabcon India Limited" vide a fresh Certificate of Incorporation dated May 9, 2018 having CIN U31200WB1991PLC050809 issued by the Registrar of Companies, Kolkata, West Bengal.

For further details of Incorporation, Change of Name and Registered Office of our company, please refer to chapter titled "General Information" and "Our History and Certain Other Corporate Matters" beginning on page 60 and page 151 of this Draft Red Herring Prospectus.

Registered Office: 4A, Pollock Street, Kolkata, West Bengal, India, 700001

Tel No: +91-33-40365000; E-mail: info@cabconindia.com; Website: www.cabconindia.com

CONTACT PERSON: MR. NARENDRA PUROHIT, (COMPANY SECRETARY & COMPLIANCE OFFICER)

PROMOTERS OF OUR COMPANY: MR. SHREE BALLABH FOMRA, MRS. RAJ KUMARI FOMRA, MR. SHANTI PRASAD FOMRA, MR. MADAN MOHAN FOMRA, MR. VIJAY KUMAR FOMRA, MR. MANISH KUMAR FOMRA, MS. NIKHITA CHOPRA, SB FOMRA (HUF), MM FOMRA (HUF), VK FOMRA (HUF) AND MK FOMRA (HUF)

#### THE ISSUE

INITIAL PUBLIC ISSUE CONSISTING OF FRESH ISSUE OF UPTO 54,96,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FULLY PAID FOR CASH AT A PRICE OF RS. [•] PER EQUITY SHARE (THE "ISSUE PRICE") (INCLUDING A SHARE PREMIUM OF RS. [•] PER EQUITY SHARE) AGGREGATING UP TO RS. [•] LAKHS (THE "ISSUE"), OF WHICH 2,76,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FOR CASH AT A PRICE OF RS. [●]/- PER EQUITY SHARE, AGGREGATING RS. [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 52,20,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FOR CASH AT A PRICE OF RS. [•]/- PER EQUITY SHARE, AGGREGATING RS. [•] LAKHS IS HEREINAFTER REFERED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.91 % AND 25.55 % RESPECTIVELY OF THE FULLY DILUTED POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF THE EQUITY SHARES IS RS. 10 EACH. THE PRICE BAND WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER ("BRLM") AND WILL BE ADVERTISED ALONG WITH LOT SIZE IN [●] EDITIONS OF THE ENGLISH NATIONAL NEWSPAPER [●], [●] EDITIONS OF THE HINDI NATIONAL NEWSPAPER [●] AND [●] EDITIONS OF THE REGIONAL NEWSPAPER , EACH WITH WIDE CIRCULATION, AT LEAST 5 (FIVE) WORKING DAYS PRIOR TO THE BID/ ISSUE OPENING DATE WITH THE RELEVANT FINANCIAL RATIOS CALCULATED AT THE FLOOR PRICE AND THE CAP PRICE AND SHALL BE MADE AVAILABLE TO THE EMERGE PLATFORM OF NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE EMERGE", REFERRED TO AS THE "STOCK EXCHANGE") FOR THE PURPOSE OF UPLOADING ON THEIR WEBSITE.

In case of any revisions in the Price Band, the Bid/Issue Period will be extended by at least three additional Working Days after such revision of the Price Band, subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a press release, and also by indicating the change on the website of the BRLM and the terminals of the Syndicate Members (defined herein below).

In terms of the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015, all potential investors shall participate in the Issue only through an Application Supported by Blocked Amount ("ASBA") process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For details in this regard, specific attention is invited to "Issue Procedure" on page 351 of this Draft Red Herring Prospectus. A copy will be delivered for registration to the Registrar of Companies as required under Section 26 of the Companies Act, 2013.

In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "SCRR") the Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. The Issue is being made in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time ("SEBI (ICDR) Regulations"), wherein 50 % of the Net Issue shall be available for allocation on a proportionate basis to QIBs, provided that our Company, in consultation with the BRLM may allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds are above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Net Issue will be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Net Issue will be available for allocation to Retail Individual Investors, in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. All investors (except Anchor Investors) shall participate in this Issue mandatorily through the Applications Supported by Blocked Amount ("ASBA") process by providing details of their respective bank accounts which will be blocked by SCSBs. For further details please refer the section titled 'Issue Information' beginning on page 338 of this draft red herring prospectus.

### RISK IN RELATION TO THE FIRST ISSUE

This being the first public Issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is Rs. 10 each. The Floor Price is [•] times the face value and the Cap Price is [•] times the face value. The Issue Price (determined and justified by our Company in consultation with the BRLM as stated in "Basis for Issue Price" on page 110 should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

### GENERAL RISKS

Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire 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 issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the Draft Red Herring Prospectus. Specific attention of the investors is invited to the section "Risk Factors" beginning on page 18 of this Draft Red Herring Prospectus.

### COMPANY'S ABSOLUTE RESPONSIBILITY

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

### LISTING

The Equity Shares of our Company issued through this Draft Red Herring Prospectus are proposed to be listed on the EMERGE Platform of National Stock Exchange of India Limited ('NSE EMERGE'), in terms of the Chapter XB of the SEBI (ICDR) Regulations, 2009 as amended from time to time. Our Company has received an In-Principle approval letter dated [•] from National Stock Exchange of India Limited for using its name in the Issue document for listing of our shares on the EMERGE Platform of National Stock Exchange of India Limited. For the purpose of this Issue, National Stock Exchange of India Limited shall be the Designated Stock Exchange

BOOK RUNNING LEAD MANAGER

REGISTRAR TO T REGISTRAR TO THE ISSUE

Hem Securities Ltd	Bigshare Services Pvt. Ltd. Attentive. Able. Adaptive
HEM SECURITIES LIMITED	BIGSHARE SERVICES PRIVATE LIMITED
904,A Wing, Naman Midtown, Senapati Bapat Marg,	1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis,
Elphinstone Road, Lower Parel, Mumbai-400013, India	Makwana Road, Marol, Andheri (East),
<b>Tel. No.:</b> +91- 022- 4906 0000	Mumbai – 400059, Maharashtra, India.
Fax No.: +91- 022- 2262 5991	Tel: +91 22 62638200, Fax: +91 22 62638299
Website: www.hemsecurities.com	Email: ipo@bigshareonline.com
Email: ib@hemsecurities.com	Website: www.bigshareonline.com
Investor Grievance Email: redressal@hemsecurities.com	Investor Grievance Id: investor@bigshareonline.com
Contact Person : Mr. Anil Bhargava	Contact Person: Srinivas Dornala
SEBI Regn. No. INM000010981	SEBI Registration Number: INR000001385
BID/ISSUE PROGRAMME	
BID/ISSUE OPENS ON: [•]	BID/ISSUE CLOSES ON: [●]

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#### **SECTION I – GENERAL**

### **DEFINITIONS AND ABBREVIATIONS**

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rule, guideline or policy shall be to such legislation, act, regulation, rule, guideline or policy, as amended, supplemented or re-enacted from time to time.

The words and expressions used in this Draft Red Herring Prospectus but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made there under.

Notwithstanding the foregoing, terms used in of the sections "Statement of Tax Benefits", "Financial Information of the Company" and "Main Provisions of Articles of Association" on pages 113, 189 and 400 respectively, shall have the meaning ascribed to such terms in such sections.

Unless the context otherwise indicates, all references to "the Company", "our Company", "the Issuer", "we", "us" and "our" are references to Cabcon India Limited, a company incorporated in India under the Companies Act 1956 having its Registered office at 4A, Pollock Street, Kolkata West Bengal-700001, India and "you", "your" or "yours" refer to Prospective bidders/investors in this Issue.

#### **Company related terms**

Term	Description
AOA / Articles / Articles of Association	Articles of Association of Cabcon India Limited, as amended from time to time.
Auditors/ Statutory Auditors	The Auditors of Cabcon India Limited being M/s SRB & Associates, Chartered Accountants.
Audit Committee	The Committee of the Board of Directors constituted as the Company's Audit Committee in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
Bankers to the Company	[•]
Board of Directors / the Board / our Board	The Board of Directors of Cabcon India Limited, including all duly constituted Committees thereof. For further details of our Directors, please refer to section titled "Our Management" beginning on page 156 of this Draft Red Herring Prospectus.
Chief Executive Officer	The Chief Executive Officer of our Company being Mr. Manish Kumar Fomra
CIN	Corporate Identification Number.
Chief Financial Officer	The Chief financial Officer of our Company being Ms. Nikhita Chopra
Companies Act / Act	The Companies Act, 2013 and amendments thereto. The Companies Act, 1956, to the extent of such of the provisions that are in force.
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company being Mr. Narendra Purohit
Corporate Office	1st Floor, Terminus Building BG-12, Action Area, 1-B, New Town, Rajarhat Kolkata 700156, West Bengal.
CSR Committee	The Corporate Social Responsibility committee of our Board constituted in accordance with the Companies Act, 2013
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Depositories	National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
DIN	Directors Identification Number.
Director(s) / our Directors	The Director(s) of our Company, unless otherwise specified.



Equity Shares	Equity Shares of the Company of Face Value of Rs. 10/- each unless otherwise
Equity Shares	specified in the context thereof.
Equity Shareholders	Persons/ Entities holding Equity Shares of our Company.
GIR Number	General Index Registry Number.
Group Companies/ Group	The word "group companies", wherever they occur, shall include such
Company	companies as covered under the applicable accounting standards and also other
	companies as considered material by the board of the company as disclosed in
	"Our Group Companies" promoted by the Promoter on page 177 of this Draft
	Red Herring Prospectus.
HUF	Hindu Undivided Family.
IBC	The Insolvency and Bankruptcy Code, 2016
IFRS	International Financial Reporting Standards
Independent Director	An Independent Director as defined under Section 2(47) of the Companies Act,
	2013 and the Listing Regulations.
Indian GAAP	Generally Accepted Accounting Principles in India
ISIN	International Securities Identification Number. In this case being − [•]
IT Act	The Income Tax Act,1961 as amended till date
JV/ Joint Venture	A commercial enterprise undertaken jointly by two or more parties which
	otherwise retain their distinct identities.
Key Management Personnel/	Key Management Personnel of our Company in terms of the SEBI Regulations
KMP	and the Companies Act, 2013. For details, see section entitled "Our
16	Management" on page 156 of this Draft Red Herring Prospectus.
Materiality Policy	The policy on identification of group companies, material creditors and material
	litigation, adopted by our Board on May 30, 2018 in accordance with the
MOA / M	requirements of the SEBI (ICDR) Regulations.
MOA / Memorandum /	Memorandum of Association of Cabcon India Limited as amended from time to
Memorandum of Association  Nomination and	time.  The Namination and Remanantian committee of our Reard constituted in
Nomination and Remuneration Committee	The Nomination and Remuneration committee of our Board constituted in
Non- Executive Director	accordance the Companies Act, 2013 and the Listing Regulations  A Director not being an Executive Director.
NRIs / Non-Resident Indians	A person resident outside India, as defined under FEMA Regulation and who is
NKIS / Non-Resident indians	a citizen of India or a Person of Indian Origin under Foreign Exchange
	Management (Transfer or Issue of Security by a Person Resident Outside India)
	Regulations, 2000.
Peer Review Auditor	Independent Auditor having a valid Peer Review certificate in our case being
	M/s Mansaka Ravi & Associates, Chartered Accountants.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated
	organization, body corporate, corporation, company, partnership, limited
	liability company, joint venture, or trust or any other entity or organization
	validly constituted and/or incorporated in the jurisdiction in which it exists and
	operates, as the context requires.
Promoters	Shall mean promoters of our Company i.e. Mr. Shree Ballabh Fomra, Mrs. Raj
	Kumari Fomra, Mr. Shanti Prasad Fomra, Mr. Madan Mohan Fomra, Mr. Vijay
	Kumar Fomra, Mr. Manish Kumar Fomra, Ms. Nikhita Chopra, S B Fomra
	(HUF), M M Fomra (HUF), V K Fomra (HUF) and M K Fomra (HUF)
Promoter Group	Includes such Persons and entities constituting our promoter group covered
	under Regulation 2(1) (zb) of the SEBI (ICDR) Regulations as enlisted in the
	section titled "Our Promoter and Promoter Group" beginning on page 169 of
DDI A.	this Draft Red Herring Prospectus.
RBI Act	The Reserve Bank of India Act, 1934 as amended from time to time.
Registered Office of our	4A, Pollock Street, Kolkata, West Bengal 700001, India.
Company  Pagenta Panis of India/PDI	December Donk of India constituted under the DDI Act
Reserve Bank of India/RBI	Reserve Bank of India constituted under the RBI Act.
Restated Consolidated	The consolidated financial statements of our Company's assets and liabilities as



Financial	at March 31, 2017 & for the stub period ending January 31, 2018 and the
Statements	consolidated statements of profit and loss and cash flows for the same period of
Statements	our Company prepared in accordance with Indian GAAP and the Companies Act
	and restated in accordance with the SEBI ICDR Regulations and the Revised
	Guidance Note on Reports in Company Prospectuses (Revised) issued by the
	ICAI, together with the schedules, notes and annexure thereto.
Restated Financial	The restated standalone and consolidated audited financial statements of our
Information	Company, which comprises of the restated audited balance sheet, the restated
	audited profit and loss information and restated audited cash flow information
	for the period ended January 31, 2018 and for financial years ended March 31,
	2017, 2016, 2015, 2014, & 2013 together with the annexure and notes thereto as
	disclosed in chapter titled "Financial Information of the Company" beginning
	on page 189 of this Draft Red Herring Prospectus
Restated Standalone Financial	The standalone financial statements of our Company's assets and liabilities as at
Statements	January 31, 2018, March 31, 2017, 2016, 2015, 2014 & 2013 and the standalone
	statements of profit and loss and cash flows for the years ended March 31, 2017,
	2016, 2015, 2014, 2013 and period ending on January 31, 2018 of our Company
	prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI ICDR Regulations and the Revised Guidance Note
	on Reports in Company Prospectuses (Revised) issued by the ICAI, together
	with the schedules, notes and annexure thereto
RoC/ Registrar of Companies	Registrar of Companies, Kolkata, West Bengal
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992.
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to
	time.
SEBI (ICDR) Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 issued
/ICDR Regulation/ Regulation	by SEBI on August 26, 2009, as amended, including instructions and
	clarifications issued by SEBI from time to time.
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and
or SEBI (SAST) Regulations	Takeover) Regulations, 2011, as amended from time to time.
SEBI (Venture Capital)	Securities Exchange Board of India (Venture Capital) Regulations, 1996 as
Regulations	amended from time to time.
SEBI Insider Trading	The Securities and Exchange Board of India (Prohibition of Insider Trading)
Regulations	Regulations, 2015 as amended, including instructions and clarifications issued
CEDI Listing Deculations	by SEBI from time to time.  The Securities and Exchange Board of India (Listing Obligation and Disclosure)
SEBI Listing Regulations, 2015/SEBI Listing	Requirements) Regulations, 2015 as amended, including instructions and
Regulations/Listing	clarifications issued by SEBI from time to time.
Regulations/SEBI (LODR)	charmeations issued by SESI from time to time.
Subsidiary/Subsidiaries	Holistic Properties Private Limited is subsidiary of our Company. For details of
j	our Subsidiary, Please refer section titled "Our Subsidiary" beginning on page
	186 of this Draft Red Herring Prospectus.
Stakeholder's	Stakeholder's relationship committee of our Company constituted in accordance
Relationship Committee	with Regulation 20 of the SEBI (LODR) Regulations and Companies Act, 2013
Stock Exchange	Unless the context requires otherwise, refers to, National Stock Exchange of
	India Limited
Sub- Account	Sub- accounts registered with SEBI under the Securities and Exchange Board of
	India (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts
~	which are foreign corporate or foreign individuals.
Subscriber to MOA	Initial Subscribers to MOA & AOA being Mr. Shree Ballabh Fomra and Mr.
H. I. C. C.	Madan Mohan Fomra
Unit I of our Company	93, Dakhindari Road, Kolkata-700048, West Bengal, India
Unit II of our Company	Sankrail Industrial Park,Nh-6 Bombay Road, Po-Kanduah, Dhulagarh, Howrah-
	711302,West Bengal, India



### **Issue Related Terms**

Terms	Description
Allotment/Allot/Allotted	Unless the context otherwise requires, means the allotment of Equity Shares,
	pursuant to the Issue to the successful Bidder/applicants.
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to a bidder/applicant as
	proof of registration of the Application.
Allotment Advice	Note or advice or intimation of Allotment sent to the bidders/Applicants who have
	been allotted Equity Shares after the Basis of Allotment has been approved by the
	Designated Stock Exchanges
Allottee (s)	A successful bidders/applicant to whom the Equity Shares are allotted.
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in
	accordance with the requirements specified in the SEBI ICDR Regulations and the
	Draft Red Herring Prospectus
Anchor Investor Allocation	Notice or intimation of allocation of Equity Shares sent to Anchor Investors who
Notice	have been allocated Equity Shares, and includes any device, intimation or notice sent
	to Anchor Investors in the event that the Issue Price is higher than the Anchor
	Investor Allocation Price.
Anchor Investor Allocation	The price at which Equity Shares will be allocated to Anchor Investors at the end of
Price	the Anchor Investor Bid/Issue Period in terms of the Red Herring Prospectus and the
Anchor Investor Application	Prospectus which will be decided by our Company, in consultation with the BRLMs  The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion
Form	and which will be considered as an application for Allotment in terms of the Red
Form	Herring Prospectus and Prospectus
Anchor Investor Bid/Issue	The day, one Working Day prior to the Bid/Issue Opening Date, on which Bids by
Period Period	Anchor Investors shall be submitted and allocation to Anchor Investors shall be
Terrod	Completed
Anchor Investor Issue Price	Final price at which the Equity Shares will be Allotted to Anchor Investors in terms
	of the Red Herring Prospectus and the Prospectus, which price will be equal to or
	higher than the Issue Price but not higher than the Cap Price.
	The Anchor Investor Issue Price will be decided by our Company in consultation
	with the BRLM.
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company in
	consultation with the BRLM, to Anchor Investors on a discretionary basis, in
	accordance with the SEBI ICDR Regulations
	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
A	the Anchor Investor Allocation Price
Application Amount	The amount at which the Applicant makes an application for the Equity Shares of
Application Form/Bid cum	our Company in terms of Draft Red Herring Prospectus.  The form, whether physical or electronic, used by a bidder/applicant to make a bid,
Application form	which will be considered as the application for Allotment for purposes of this Draft
Application form	Red Herring Prospectus.
Application Supported by	A bid/application, whether physical or electronic, used by all applicants to make an
Block Amount (ASBA)	application authorizing a SCSB to block the application amount in the ASBA
Brook ramount (rassir)	Account maintained with the SCSB.
	Pursuant to SEBI Circular dated November 10, 2015 and bearing Reference No.
	CIR/CFD/POLICYCELL/11/2015 which shall be applicable for all public issues
	opening on or after January 01, 2016, all the investors shall apply through ASBA
	process only.
ASBA Account	Account maintained by the ASBA Investor with an SCSB which will be blocked by
	such SCSB to the extent of the Application Amount of the ASBA Investor.
ASBA Bidders	Any Bidder except Anchor Investor
Bankers to the Issue	Banks which are clearing members and registered with SEBI as Bankers to an Issue



	and with whom the Dublic Issue Assount will be appead in this case being [4]
Dealers to the Issue	and with whom the Public Issue Account will be opened, in this case being [●]
Banker to the Issue	Agreement dated •] entered into amongst the Company, Book Running Lead
Agreement	Manager, the Registrar and the Banker of the Issue.
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful
	bidders/applicants under the issue and which is described in the chapter titled "Issue
	Procedure" beginning on page 387 of the Draft Red Herring Prospectus.
Bid	An indication to make an Issue during the Bid/Issue Period by ASBA Bidders
	pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/Issue
	Period by an Anchor Investor pursuant to submission of the Anchor Investor
	Application Form, to subscribe to or purchase the Equity Shares at a price within the
	Price Band, including all revisions and modifications thereto as permitted under the
	SEBI ICDR Regulations.
	The term "Bidding" shall be construed accordingly
Bidding	The process of making a Bid.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and
	payable by the Bidder or blocked in the ASBA Account of the ASBA Bidder, as the
	case may be, upon submission of the Bid in the Issue.
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as applicable
Bid Lot	[●] Equity Shares
Bid/Issue Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after
	which the Designated Intermediaries will not accept any Bids, which shall be
	notified in all editions of the English national newspaper [], all editions of the
	Hindi national newspaper [●] and the [●] edition of the Bengali daily newspaper [●]
	(Bengali being the regional language of West Bengal, where the Registered Office of
	our Company is situated), each with wide circulation.
	Our Company may in consultation with the BRLM, consider closing the Bid/ Issue
	Period for QIBs one Working Day prior to the Bid/ Issue Closing Date in accordance
	with the SEBI ICDR Regulations
Bid/Issue Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which
1 0	the Designated Intermediaries shall start accepting Bids, which shall be notified in
	all editions of the English national newspaper [•], all editions of the Hindi national
	newspaper [●] and the [●] edition of the Bengali daily newspaper [●] (Bengali being
	the regional language of West Bengal, where the Registered Office of our Company
	is situated) each with wide circulation
Bidder/Applicant	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring
11	Prospectus and the Bid cum Application Form and unless otherwise stated or
	implied, includes an Anchor Investor
Bidding Centers	Centers at which the Designated Intermediaries shall accept the ASBA Forms, i.e.,
E	Designated SCSB Branch for SCSBs, Specified Locations for Syndicate, Broker
	Centres for Registered Brokers, Designated RTA Locations for RTAs and
	Designated CDP Locations for CDPs
Book Building Process	Book building process, as provided in Schedule XI of the SEBI ICDR Regulations,
	in terms of which the Issue is being made
Broker Centers	Broker centres notified by the Stock Exchanges, where the investors can submit the
	Application Forms to a Registered Broker. The details of such Broker Centers, along
	with the names and contact details of the Registered Brokers are available on the
	websites of the Stock Exchange.
Business Day	Monday to Friday (except public holidays).
CAN or Confirmation of	The Note or advice or intimation sent to each successful Applicant indicating the
Allocation Note	Equity which will be allotted, after approval of Basis of Allotment by the designated
1 III ocution 1 toto	Stock Exchange.
Cap Price	The higher end of the Price Band, above which the Issue Price and the Anchor
Cup I lice	Investor Issue Price will not be finalized and above which no Bids will be accepted
Client Id	
Chelle Iu	Client Identification Number maintained with one of the Depositories in relation to



	demat account
Collecting Depository	A depository participant as defined under the Depositories Act, 1996, registered with
Participants or CDPs	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
Controlling Branches of the	Such branches of the SCSBs which coordinate with the BRLM, the Registrar to the
SCSBs	Issue and the Stock Exchange.
Cut-off Price	Issue Price, finalized by our Company in consultation with the BRLM.
	Orlo Data'l Indial and Diddon are settled to Did at the Cot off Disc. Office
	Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Bidders are not entitled to Bid at
	the Cut-off Price
Demographic Details	The demographic details of the applicants such as their Address, PAN, name of the
Demographic Details	applicants father/husband, investor status, Occupation and Bank Account details.
Depository / Depositories	A depository registered with SEBI under the Securities and Exchange Board of India
Depository / Depositories	(Depositories and Participants) Regulations, 1996 as amended from time to time,
	being NSDL and CDSL.
Designated Date	On the Designated Date, the amounts blocked by SCSBs are transferred from the
	ASBA Accounts to the Public Issue Account and/ or unblocked in terms of the Draft
	Red Herring Prospectus.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Application Form from
	the Applicant and a list of which is available on the website of SEBI
	athttps://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes.
	Recognized-Intermediaries or at such other website as may be prescribed by SEBI
	from time to time.
Designated CDP Locations	Such locations of the CDPs where Applicant can submit the Application Forms to
	Collecting Depository Participants.
	The details of such Designated CDP Locations, along with names and contact details
	of the Collecting Depository Participants eligible to accept Application Forms are
D. I. I. D. II. I.	available on the websites of the Stock Exchange i.e. www.nseindia.com
Designated RTA Locations	Such locations of the RTAs where Applicant can submit the Application Forms to
	RTAs.  The details of such Designated RTA Leastions, along with names and contact details.
	The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the
	Stock Exchange i.e. www.nseindia.com
Designated Intermediaries/	An SCSB's with whom the bank account to be blocked, is maintained, a syndicate
Collecting Agent	member (or sub-syndicate member), a Stock Broker registered with recognized
Concernig / Igent	Stock Exchange, a Depositary Participant, a registrar to an issue and share transfer
	agent (RTA) (whose names is mentioned on website of the stock exchange as
	eligible for this activity)
Designated Market Maker	[•]
Designated Stock Exchange	National Stock Exchange of India Limited (SME Exchange) ("NSE EMERGE")
DP	Depository Participant
DP ID	Depository Participant's Identity Number
Draft Red Herring	Draft Red Herring Prospectus dated June 11, 2018 issued in accordance with Section
Prospectus	32 of the Companies Act, 2013.
Eligible NRI	A Non Resident Indian in a jurisdiction outside India where it is not unlawful to
	make an offer or invitation under the Issue and in relation to whom this Draft Red
	Herring Prospectus will constitute an invitation to subscribe for the Equity Shares.
Equity Shares	Equity Shares of our Company of face value ₹ 10 each
Electronic Transfer of Funds	Refunds through ECS, NACH, NEFT, Direct Credit or RTGS as applicable.
Eligible QFIs	QFIs 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 purchase the Equity shares issued thereby and who have opened demat



	accounts with SEBI registered qualified depositary participants.
FII/ Foreign Institutional	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional
FII/ Foreign Institutional Investors	Investors) Regulations, 1995, as amended) registered with SEBI under applicable
Investors	
First/ Sole Applicant/bidder	laws in India.
First/ Sole Applicant/bluder	The Applicant/bidder whose name appears first in the bid cum Application Form or Revision Form.
Foreign Venture Capital	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign
Investors	Venture Capital Investor) Regulations, 2000.
FPI / Foreign Portfolio	A Foreign Portfolio Investor who has been registered pursuant to the of Securities
Investor	and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014,
	provided that any FII or QFI who holds a valid certificate of registration shall be
	deemed to be a foreign portfolio investor till the expiry of the block of three years
	for which fees have been paid as per the SEBI (Foreign Institutional Investors)
	Regulations, 1995, as amended
General Information	The General Information Document for investing in public issues prepared and
Document (GID)	issued in accordance with the circulars (CIR/CFD/DIL/12/2013) dated October 23,
,	2013, notified by SEBI and updated pursuant to the circular
	(CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 and
	(SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 notified by the SEBI.
HSL	Hem Securities Limited.
Issue Agreement	The Agreement dated May 31, 2018 between our Company and BRLM
IPO	Initial Public Offering.
Issue/Public Issue/Issue	The Public Issue 54,96,000 Equity shares of ₹ 10/- each at issue price of [•] per
size/Initial Public	Equity share aggregating to ₹ [•]each, aggregating up to ₹ [•] Lacs.
Issue/Initial Public	
Offer/Initial Public	
Offering/ IPO	
Issue Price	The final price at which Equity Shares will be Allotted to Bidders other than Anchor Investors. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Issue Price in terms of the Red Herring Prospectus
	The Issue Price will be decided by our Company in consultation with the BRLM on the Pricing Date
Issue Period	The period between the Bid/Issue Opening Date and the Bid/Issue Closing Date inclusive of both days and during which prospective Bidders can submit their Applications, including any revisions thereof.
Issue Proceeds	Proceeds to be raised by our Company through this Issue, for further details please refer chapter titled "Objects of the Issue" at page 104 of the Draft Red Herring Prospectus
Listing Agreement	The Equity Listing Agreement to be signed between our Company and NSE.
BRLM/Book Running Lead	Book Running Lead Manager to the Issue, in this case being Hem Securities Limited
Manager	(HSL).
Lot Size	[•]
Market Maker	Member Brokers of NSE who are specifically registered as Market Makers with the
	NSE Emerge Platform. In our case, [●] is the sole Market Marker
Market Making Agreement	The Market Making Agreement dated [●] between our Company, Book Running Lead Manager and Market Maker, [●]
Market Maker Reservation	The reserved portion of 2,76,000 Equity Shares of ₹ 10 each at an Issue price of [•]
Portion	each aggregating to [●] Lakh to be subscribed by Market Maker in this issue.
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations,
	1996, as amended from time to time
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of 52,20,000 equity
	Shares of ₹ 10 each at a price of [•] per Equity Share (the "Issue Price"), including a
	share premium of [●] per equity share aggregating to [●] (In lacs).



Net Proceeds	The Issue Proceeds received from the fresh Issue excluding Issue related expenses. For further information on the use of Issue Proceeds and Issue expenses, please refer
	to the section titled "Objects of the Issue" beginning on page 104 of this Draft Red
	Herring Prospectus.
Non-Institutional Investors	Investors other than Retail Individual Investors, NRIs and QIBs who apply for the
	Equity Shares of a value of more than ₹ 2,00,000/-
Non-Institutional Portion	The portion of the Net Offer being not less than 15% of the Issue consisting of [●]
	Equity Shares which shall be available for allocation on a proportionate basis to
	Non-Institutional Bidders, subject to valid Bids being received at or above the Issue
	Price
NSE	National Stock Exchange of India Limited
NSE EMERGE	The SME platform of NSE, approved by SEBI as an SME Exchange for listing of
	equity shares offered under Chapter X-B of the SEBI ICDR Regulations.
Other Investor	Investors other than Retail Individual Investors. 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.
Overseas Corporate Body/	Overseas Corporate Body means and includes an entity defined in clause (xi) of
OCB	Regulation 2 of the Foreign Exchange Management (Withdrawal of General
	Permission to Overseas Corporate Bodies (OCB's) Regulations 2003 and which was
	in existence on the date of the commencement of these Regulations and immediately
	prior to such commencement was eligible to undertake transactions pursuant to the
	general permission granted under the Regulations. OCBs are not allowed to invest in
	this Issue.
Price Band	Price band of a minimum price of ₹ [•] per Equity Share (Floor Price) and the
File Ballu	
	maximum price of ₹ [•] per Equity Share (Cap Price) including any revisions thereof
	The Price Band will be decided by our Company in consultation with the BRLM and
	the minimum Bid Lot size for the Offer will be decided by our Company in
	consultation with the BRLM and will be advertised, at least five Working Days prior
	to the Bid/Issue Opening Date, in all editions of the English national newspaper [•],
	all editions of the Hindi national newspaper [●] and the [●] edition of the Bengali
	daily newspaper [•] (Bengali being the regional language of West Bengal, where the
	Registered Office of our Company is situated), each with wide circulation
Pricing Date	The date on which our Company in consultation with the BRLM, will finalize the
	Issue Price
Prospectus	The prospectusto be filed with the RoC in accordance with the provisions of Section
•	32 of the Companies Act, 2013, containing, <i>inter alia</i> , the Issue Price will be
	determined before filing the Prospectus with RoC
Public Issue Account	Account to be opened with the Bankers to the Issue to receive monies from the
T done issue i lecount	SCSBs from the bank account of the Applicant, on the Designated Date.
Qualified Institutional	A Mutual Fund, Venture Capital Fund and Foreign Venture Capital Investor
Buyers/ QIBs	registered with the SEBI, a foreign institutional investor and sub-account (other than
Buyers/ QIBs	a sub-account which is a foreign corporate or foreign individual), registered with
	SEBI; a public financial institution as defined in Section 2(72) of the Companies
	Act, 2013; a scheduled commercial bank; a multilateral and bilateral development
	financial institution; a state industrial development corporation; an insurance
	company registered with the Insurance Regulatory and Development Authority; a
	provident fund with minimum corpus of ₹ 25.00 Crore; a pension fund with
	minimum corpus of ₹ 25.00 Crore; National Investment Fund set up by resolution
	No. F. No. 2/3/2005 – DDII dated November 23, 2005 of the Government of India
	published in the Gazette of India, insurance funds set up and managed by army, navy
	or air force of the Union of India and insurance funds set up and managed by the
	Department of Posts, India and systemically important non-banking financial
	companies.
Red Herring Prospectus or	The Red Herring Prospectus to be issued in accordance with Section 32 of the



RHP	Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Issue including any addenda or corrigenda thereto. The Red Herring Prospectus will be registered with the RoC at least three days before the Bid/Issue Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date
Refund Account	The account to be opened with the Refund Bank, from which refunds, if any, of the whole or part of the Bid Amount to the Anchor Investors shall be made
Refund Bank	[●]
Registrar/ Registrar to the Issue/ RTA/ RTI	Registrar to the Issue being Bigshare Services Private Limited.
Registrar Agreement	The agreement dated May 31, 2018 entered into between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Registered Broker	Individuals or companies registered with SEBI as "Trading Members" (except Syndicate/Sub-Syndicate Members) who hold valid membership of either BSE or NSE having right to trade in stocks listed on Stock Exchanges, through which investors can buy or sell securities listed on stock exchanges, a list of which is available on http://www.nseindia.com/membership/content/cat_of_mem.htm
Regulations	SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009 as amended from time to time.
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion.
Reservation Portion	The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI (ICDR) Regulations, 2009.
Retail Individual Investors	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than ₹ 2,00,000.
Revision Form	The form used by the Bidders/Applicants to modify the quantity of Equity Shares or the BidAmount in any of their Application Forms or any previous Revision Form(s) as applicable.  QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/Issue Period and withdraw theirBids until Bid/Issue Closing Date.
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.
SEBI SAST / SEBI (SAST) Regulations	amended
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
Self Certified Syndicate Bank(s) / SCSB(s)	Banks which are registered with SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 and offer services of ASBA, including blocking of bank account, a list of which is available athttps://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes
SME Exchange	SME Platform of the NSE i.e. NSE EMERGE
SEBI(PFUTP) Regulations/PFUTP Regulations	SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003
Transaction Registration Slip/ TRS	The slip or document issued by the member of the Syndicate or an SCSB (only on demand) as the case may be, to the Applicant as proof of registration of the Application.
Underwriters	The BRLM who has underwritten this Issue pursuant to the provisions of the SEBI (ICDR) Regulations and the Securities and Exchange Board of India (Underwriters)



	Regulations, 1993, as amended from time to time.
Underwriting Agreement	The Agreement dated [●] entered between the Underwriters, BRLM and our
	Company.
U.S. Securities Act	U.S. Securities Act of 1933, as amended
Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board
	of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under
	applicable laws in India.
Working Day	Any day, other than Saturdays or Sundays, on which commercial banks in India are
	open for business, provided however, for the purpose of the time period between the
	Issue Opening Date and listing of the Equity Shares on the Stock Exchanges,
	"Working Days" shall mean all trading days excluding Sundays and bank holidays in
	India in accordance with the SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26
	dated January 21, 2016.

### **Industry Related Terms**

Term	Description
AAC	All Aluminium Conductor
AAAC	All Aluminium Alloy Conductor
AACSR	Aluminium Alloy Conductor steel-reinforced
ACSR	Aluminum conductor steel-reinforced
AB	Aerial Bunched
BIS	Bureau of Indian Standards
BRGF	Backward Region Grants Fund
DISCOM	Distribution Company
EPC	Engineering, Procurement and Construction
EPR	Ethylene Propylene Rubber
FR	Fire Retardant
GDP	Gross Domestic Product
HDPE	High Density Poly Ethylene
ISO	International Organization for Standardization
IEC	Import Export Code
LAN	Local Area Network
LDPE	Low-Density Polyethylene
LOA	Letter of Award
LT	Low Tension
LT AB	LT Aerial Bunch
NABL	National Accreditation Board for Testing and Calibration Laboratories
NHPC	National Hydroelectric Power Corporation
NTPC	National Thermal Power Corporation Limited
PGCIL	Power Grid Corporation of India
PVC	Polyvinyl Chloride
RGGVY	Rajiv Gandhi Gramin Vidyutikaran Yojana
TPA	Tonne Per annum
XLPE	Cross linked poly Ethylene

### **Technical Terms**

Term	Description
°C	Degree Celsius
°F	Fahrenheit
AC	Alternating Current



DC	Direct Current
Hrs	Hours
HT	High Tension
GW	GigaWatt
GMS	Grams
KG	Kilo-gram
KV	Kilo-volts
KVA	Kilovolt-ampere
LV	Low Voltage
MT	Metric Ton
Nos	Numbers

### **ABBREVIATIONS**

Abbreviation	Full Form
₹ / Rs./ Rupees/	Indian Rupees
INR	1
A/c	Account
ACS	Associate Company Secretary
AGM	Annual General Meeting
AOA	Articles of Association
Approx	Approximately
Arbitration Act	Arbitration and Conciliation Act, 1996
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Applications Supported by Blocked Amount
AY	Assessment Year
B. Com	Bachelor of Commerce
BG/LC	Bank Guarantee / Letter of Credit
BIFR	Board for Industrial and Financial Reconstruction
BSE	BSE Limited (formerly known as Bombay Stock Exchange Limited)
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CMRI	Central Mining Research Institute
CIN	Company Identification Number
CIT	Commissioner of Income Tax
C.P.C.	Code of Civil Procedure, 1908
CS & CO	Company Secretary & Compliance Officer
CSR	Corporate Social Responsibility
CST	Central Sales Tax
DIN	Director Identification Number
DP	Depository Participant
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce, Government of India
ECS	Electronic Clearing System
ESI Act	Employees State Insurance Act, 1948
EOGM/EGM	Extraordinary General Meeting
EMDEs	Emerging Market and Developing Economies
EXIM/ EXIM	Export – Import Policy
Policy	
FCMA	Fellow Cost & Management Accountant
FDI	Foreign Direct Investment



FEMA	Foreign Exchange Management Act, 1999, as amended from time to time, and the regulations
	framed there under
FIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or
	Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI
	under applicable laws in India
FIPB	Foreign Investment Promotion Board
FY / Fiscal /	Period of twelve months ended March 31 of that particular year, unless otherwise stated
Financial Year	
GDP	Gross Domestic Product
GoI/Government	Government of India
HUF	Hindu Undivided Family
I.T. Act	Income-tax Act, 1961, as amended from time to time
ICSI	The Institute of Company Secretaries of India
ICAI	The Institute of Chartered Accountants of India
ICWAI	The Institute of Cost Accountants of India
IFRS	International Financial Reporting Standards
IPO	Initial Public Offering
ISIN	International Securities Identification Number
KMP	Key Managerial Personnel
L.L.B	Bachelor of Laws
M.Com	Master of Commerce
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant
Tribi Granica	Bankers) Regulations, 1992
MoF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
M.Sc	Masters of Science
NA	Not Applicable
NACH	National Automated Clearing House
NAV	Net Asset Value
NECS	National Electronic Clearing Services
NEFT	National Electronic Fund Transfer
Networth	The aggregate of paid up Share Capital and Share Premium account and Reserves and
	Surplus(Excluding revaluation reserves) as reduced by aggregate of Miscellaneous
	Expenditure(to the extent not written off) and debit balance of Profit & Loss Account
N.I. Act	Negotiable Instruments Act, 1881
NRE Account	Non Resident External Account
NRIs	Non Resident Indians
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
p.a.	per annum
P/E Ratio	Price/Earnings Ratio
PAC	Persons Acting in Concert
PAN	Permanent Account Number
PAT	Profit After Tax
PLR	Prime Lending Rate
RBI	The Reserve Bank of India
ROE	Return on Equity
RONW	Return on Equity  Return on Net Worth
	Return on Net Worth  Rupees, the official currency of the Republic of India
Rs. or ₹	
RTGS	Real Time Gross Settlement  Sequentias Contract (Regulation) Act 1056 as amended from time to time
SCRA	Securities Contract (Regulation) Act, 1956, as amended from time to time



SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992
Sec./ S.	Section
Securities Act	U.S. Securities Act of 1933, as amended
SME	Small and Medium Enterprises
STT	Securities Transaction Tax
TAN	Tax Deduction Account Number
TIN	Taxpayers Identification Number
US/United States	United States of America
USD/ US\$/ \$	United States Dollar, the official currency of the Unites States of America
VCF / Venture	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India
Capital Fund	(Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in
	India.
WDV	Written Down Value
WTD	Whole Time Director
w.e.f.	With effect from

The words and expressions used but not defined in this Draft Red Herring Prospectus will have the same meaning as assigned to such terms under the Companies Act, the Securities and Exchange Board of India Act, 1992 (the "SEBI Act"), the SCRA, the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing, terms in "Main Provisions of the Articles of Association", "Statement of Tax Benefits", "Industry Overview", "Key Industry Regulations and Policies", "Financial Information of the Company", "Outstanding Litigation and Material Developments" and "Issue Procedure", will have the meaning ascribed to such terms in these respective sections.



### CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF FINANCIAL PRESENTATION

#### **Certain Conventions**

All references in the Draft Red Herring Prospectus to "India" are to the Republic of India.

In this Draft Red Herring Prospectus, the terms "we", "us", "our", the "Company", "our Company", "Cabcon India Limited", and "CIL", and, unless the context otherwise indicates or implies, refers to Cabcon India Ltd. In this Draft Red Herring Prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word "Lac / Lakh" means "one hundred thousand", the word "million (mn)" means "Ten Lac / Lakh", the word "Crore" means "ten million" and the word "billion (bn)" means "one hundred crore". In this Draft Red Herring Prospectus, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off.

#### **Use of Financial Data**

Unless stated otherwise, throughout this Draft Red Herring Prospectus, all figures have been expressed in Rupees and Lakh. Unless stated otherwise, the financial data in the Draft Red Herring Prospectus is derived from our standalone financial statements prepared and restated for the financial year ended 31<sup>st</sup> March 2017, 2016, 2015, 2014 and 2013 and also for the stub period ended January 31, 2018 and the consolidated financial statements prepared and restated for the financial year ended 31<sup>st</sup> March 2017 and for the stub period ended January 31, 2018 prepared in accordance with Indian GAAP, the Companies Act and SEBI (ICDR) Regulations, 2009 included under Section titled "Financial Information of the Company" beginning on page 189 of this Draft Red Herring Prospectus. Our Company has one subsidiary. Accordingly, financial information relating to us is presented on both Standalone basis and consolidated basis. Our fiscal year commences on April 1 of every year and ends on March 31st of every next year.

There are significant differences between Indian GAAP, the International Financial Reporting Standards ("IFRS") and the Generally Accepted Accounting Principles in the United States of America ("U.S. GAAP"). Accordingly, the degree to which the Indian GAAP financial statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practice and Indian GAAP. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited. We have not attempted to explain those differences or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

Any percentage amounts, as set forth in "Risk Factors", "Our Business", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and elsewhere in the Draft Red Herring Prospectus unless otherwise indicated, have been calculated on the basis of the Company's restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Review Auditor, set out in section titled "Financial Information of the Company" beginning on page 189 of this Draft Red Herring Prospectus.

For additional definitions used in this Draft Red Herring Prospectus, see the section "Definitions and Abbreviations" on page 1 of this Draft Red Herring Prospectus. In the section titled "Main Provisions of Articles of Association", on page 400 of the Draft Red Herring Prospectus defined terms have the meaning given to such terms in the Articles of Association of our Company.

#### **Use of Industry & Market Data**

Unless stated otherwise, industry and market data and forecast used throughout the Draft Red Herring Prospectus was obtained from internal Company reports, data, websites, Industry publications report as well as Government Publications. Industry publication data and website data generally state that the information contained therein 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.

Although, we believe industry and market data used in the Draft Red Herring Prospectus is reliable, it has not been independently verified by us or the BRLM or any of their affiliates or advisors. Similarly, internal Company reports and data, while believed by us to be reliable, have not been verified by any independent source. 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 market and industry sources.

In accordance with the SEBI (ICDR) Regulations, the section titled "Basis for Issue Price" on page 110 of the Draft Red Herring Prospectus includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, nor the BRLM, have independently verified such information.

### **Currency of Financial Presentation**

All references to "Rupees" or "INR" or "₹" are to Indian Rupees, the official currency of the Republic of India. Except where specified, including in the section titled "Industry Overview" throughout the Draft Red Herring Prospectus all figures have been expressed in Lakhs.

Any percentage amounts, as set forth in "Risk Factors", "Our Business", "Management's Discussion and Analysis of Financial Conditions and Results of Operation" on page 18, 125 and 295 in the Draft Red Herring Prospectus, unless otherwise indicated, have been calculated based on our restated respectively financial statement prepared in accordance with Indian GAAP.

The Draft Red Herring Prospectus contains conversion of certain US Dollar and other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI (ICDR) Regulations. These conversions should not be construed as a representation that those US Dollar or other currency amounts could have been, or can be converted into Indian Rupees, at any particular rate.



#### FORWARD LOOKING STATEMENTS

This Draft Red Herring Prospectus includes certain "forward-looking statements". We have included statements in the Draft Red Herring Prospectus which contain words or phrases such as "will", "aim", "is likely to result", "believe", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", "seek to", "future", "objective", "goal", "project", "should", "will pursue" and similar expressions or variations of such expressions, that are "forward-looking statements". Also, statements which describe our strategies, objectives, plans or goals are also forward looking statements.

All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

- 1. General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
- 2. Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or price.
- 3. Company's ability to successfully implement its growth strategy and expansion plans;
- 4. Factors affecting cable and conductor industry;
- 5. Disruption in supply or increase in prices of Raw Materials;
- 6. Disruption in our Manufacturing facilities
- 7. Changes in laws and regulations relating to the industries/sector in which we operate;
- 8. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
- 9. Materialization of the security risks faced by our business;
- 10. Inability to successfully obtain registrations in a timely manner or at all;
- 11. Our ability to effectively manage a variety of business, legal, regulatory, economic, social and political risks associated with our operations;
- 12. Our relationships with our workforce and the trade unions, as well as changes in the laws and regulations applicable to our business;
- 13. Fluctuations in operating costs;
- 14. Effect of lack of infrastructure facilities on our business;
- 15. Occurrence of Environmental Problems & Uninsured Losses;
- 16. Intensified competition in industries/sector in which we operate;
- 17. Our ability to attract, retain and manage qualified personnel;
- 18. Conflicts of interest with affiliated companies, the promoter group and other related parties;
- 19. Failures of our information technology systems and violations of our information technology systems by third parties;
- 20. Any adverse outcome in the legal proceedings in which we are involved;
- 21. Our ability to expand our geographical area of operation;

For further discussion of factors that could cause our actual results to differ, see the Section titled "Risk Factors"; "Our Business" & and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 18, 125 and 295 respectively of the Draft Red Herring Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

There can be no assurance to investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.



Neither our Company, our Directors, our Officers, Book Running Lead Manager and Underwriter nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and the Book Running Lead Manager will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permission by the Stock Exchange for the Equity Shares allotted pursuant to this Issue.



#### **SECTION II: RISK FACTORS**

An investment in our Equity Shares involves a high degree of financial risk. Prospective investors should carefully consider all the information in the Draft Red Herring Prospectus, particularly the "Financial Information of the Company" and the related notes, "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on page 189, 125 & 295 respectively of this Draft Red Herring Prospectus and the risks and uncertainties described below, before making a decision to invest in our Equity Shares.

The risk factors set forth below are not exhaustive and 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, individually or together, could adversely affect our business, financial condition, results of operations or prospects, which could result in a decline in the value of our Equity Shares and the loss of all or part of your investment in our Equity Shares. While we have described the risks and uncertainties that our management believes are material, these risks and uncertainties may not be the only risks and uncertainties we face. Additional risks and uncertainties, including those we currently are not aware of or deem immaterial, may also have an adverse effect on our business, results of operations, financial condition and prospects.

This Draft Red Herring Prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors below. However, there are risk factors the potential effects of which are not quantifiable and therefore no quantification has been provided with respect to such risk factors. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Issue, including the merits and the risks involved. You should not invest in this Issue unless you are prepared to accept the risk of losing all or part of your investment, and you should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares.

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

#### Note:

The risk factors as envisaged by the management along with the proposals to address the risk if any. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial implication of any of the risks described in this section.

In this Draft Red Herring Prospectus, any discrepancies in any table between total and the sums of the amount listed are due to rounding off. Any percentage amounts, as set forth in "Risk Factors" on page 18 and "Management Discussion and Analysis of Financial Condition and Results of Operations" on page 295 of this Draft Red Herring Prospectus unless otherwise indicated, has been calculated on the basis of the amount disclosed in the "Audited Financial Statements, as restated" prepared in accordance with the Indian Accounting Standards

1. There are certain outstanding legal proceedings involving our Company, Group Company and Promoters. Any failure to defend these proceedings successfully may have an adverse effect on our business prospects, financial condition, result of ongoing operations and reputation.



Our Company is involved in certain legal proceedings, which if determined, against us could have adverse impact on the business and financial results of our Company. For details kindly refer chapter titled "Outstanding Litigation and Material Developments" at page 306 of this Draft Red Herring Prospectus. A brief detail of such outstanding litigations as on the date of this Draft Red Herring Prospectus are as follows:

Litigations/Matters involving our Company:-

zivigutions, i i uttors in voi ing our company.						
Nature of Cases	No. of Outstanding Cases	Amount Involved (in ₹ Lacs)*				
Criminal Matter	1	25.62				
Direct Tax appeals & Notice	3	284.84				
Indirect tax Appeal & Notice	12	1660.61				
TDS defaults		29.61				

<sup>\*</sup>to the extend amount is ascertainable.

#### Litigations/Matters involving our Promoters:-

Nature of Cases	No. of Outstanding Cases	Amount Involved (in ₹ Lacs)*
Criminal Matter	1	Not ascertainable
Direct Tax outstanding Demand		2.18

<sup>\*</sup>to the extend amount is ascertainable.

#### Litigations/Matters involving our Group Company:-

Nature of Cases	No. of Outstanding Cases	Amount Involved (in ₹ Lacs)*
Indirect tax Appeal & Notice	5	187.76
TDS defaults		9.25

<sup>\*</sup>to the extend amount is ascertainable.

For further details of Statutory or legal proceedings involving our Company, please refer to the chapter titled "Outstanding Litigation and Material Developments" on page 306 of this Draft Red Herring Prospectus.

2. Our Company operates under several statutory and regulatory permits, licenses and approvals. Our inability to obtain, renew or maintain the statutory and regulatory licenses, permits and approvals required to operate our business may have an adverse effect on our business & operations.

We require various statutory and regulatory licenses, permits and approvals to operate our business. We need to make compliance and applications at appropriate stages of our business to continue our operations. There can be no assurance that the relevant authorities will issue these approvals or licenses, or renewals thereof in a timely manner, or at all. Further any default by our Company in complying with the same may result in the cancellation of such licenses, approvals or registrations which may adversely affect our operations and financial strength.

Our Company is yet to apply for the registration under pollution control license, fire license and Contract labour regulation act for the Unit I. Except from above, we believe that we have complied considerably with such laws and regulations, as are applicable to us however, statutory/ regulatory authorities may allege non-compliance and we cannot assure you that we will not be subjected to any such regulatory action in the future, including penalties, and other civil or criminal proceedings. Further, certain licenses and registrations obtained by our Company contain certain terms and conditions, which are required to be complied regularly by us. Any default by our Company in complying with the same, may result in inter alia the cancellation of such licenses, consents, authorizations and/or registrations, which may adversely affect our operations.

Further, Certificate of Enlistment Trade License & Certificate of Marks License (For Product: Aluminium conductors for overhead transmission purposes: Part 1 aluminium Stranded conductors) for Unit I have expired. There can be no assurance that the relevant authorities will issue or renew any of such permits or approvals in time or at all. Failure to renew, maintain or obtain the required permits or approvals in time may result in the interruption of our operations and may have a material adverse effect on our business. For further details, please refer to Chapter titled "Government and Other Approvals" beginning on page 317 of the Draft Red Herring Prospectus.



Trade receivables form a major 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 Company's business is working capital intensive and hence, trade receivables form a major part of our current assets and net worth. As on January 31, 2018, our trade receivables amount to Rs. 225.16 crores, which is approximately more than 3 times the net worth as on respective date. In F.Y. 2016-17, Our Company's Average Debtors Collection Period has remained around 158 days and the debtor collection period for the period ending January 31, 2018 was around 195 days. Further, in last three years, the value of the trade receivable exceeding the period of six months amounted to Rs. 61.66 crores in F.Y. 2016-17, Rs. 45.90 crores in F.Y. 2015-16 and Rs. 31.11 crores in F.Y. 2014-15. However, our Company is in regular follow up with such Debtors, but we cannot assure you about recovery of such bad debts. We cannot assure that our Company will be able to effectively manage its trade receivables in future and lower the average collection period. Any such failure in management of trade receivables could result into bad debts, delays in recoveries, additional charges in form of legal expenses and / or write-offs which could lead to a liquidity crunch, thereby adversely affecting our business and results of operations. Further, in case of delay payment from the trade receivable we may be compelled to make delay in the payment commitments by our company which can have an adverse impact on the reputation, cash flow and financials of our company. A liquidity crunch may also result in case of increased working capital borrowings and, consequently, higher finance cost which will adversely impact our profitability.

4. Substantial portion of our revenue is dependent on a limited number of customers. Loss of business from any of these customers may have an adverse effect on our revenue and profitability.

For the financial year ended on March 31, 2017, more than 63.60% of our revenues were generated from our top 10 customers and for the period ended on January 31, 2018, more than 75.39% of our revenues were generated from our top 10 customers. The loss of our major customer/or reduction of orders from our key customer may adversely affect our revenues and profitability.

Further, we cannot assure you that we will be able to generate the same quantum of business, or any business at all, from these customers, and loss of business from one or more of them may adversely affect our operations and profitability. For details of our top ten customers, Please refer to chapter titled "Management Discussion and Analysis of Financial Statement & Result of Operation" beginning on page 295 of Draft Red Herring Prospectus.

5. Our Company has made declaration of undisclosed income under Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016.

Our company has declared an undisclosed income of Rs. 40000000 for the AY 2011-12 under section 183 of the Finance Act 2016 read with Income Declaration Scheme, 2016. The total tax liability (including surcharge and penalty) for the same was of ₹ 1,80,00,000/-, which has been already been paid by the Company on November 30, 2016, March 31, 2017 and June 16, 2017 in installments. Any proceeding initiated against the company for the same in future may adversely affect our business and results of operations of our company. Also, we cannot assure that we, our promoters, our directors may not face legal proceeding in future; any adverse decision in such legal proceeding may impact our business.

6. Any shortfall in the availability of our raw material or an upward movement in the raw material costs or other input costs may adversely impact the pricing and supply of our products and have an adverse effect on our business.

Aluminium or Copper Rod, PVC & XLPE Compound, armouring Strip and Copper Tape are the main raw material used to produce cables and conductors. These raw materials are subject to supply disruptions and are very volatile due to price fluctuations resulting from, domestic and foreign trade policies, and shifts in supply and demand, competition and other factors which are beyond our control. Any adverse movement in the price of the raw material will impact our cost of production which we may not be able to pass on to the customer which may affect our profitability of even lead to losses. Further our suppliers may be unable to provide us with a sufficient quantity of our raw material at a suitable price for us to meet the demand for our products.



Additionally there is a risk that one or more of these existing suppliers could discontinue their operations, which could impact our ability to source raw materials at a reasonable price and meet our order requirements. Identification of any suitable supplier or any delay, interruption or increased cost in the supply of raw materials pertaining to our products arising from a lack of long-term contracts could have an adverse effect on our ability to meet customer demand for our products and result in lower revenue from operations both in the short and long term.

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

We may encounter problems in fulfilling the orders in relation to the supply of the products and the services undertaken by us under rural electrification, or completing the same on a timely basis. Moreover, there may be certain factors beyond our control or the control of our customers which may result in the postponement of the delivery of products or cause its cancellation. Accordingly, it is difficult to predict with certainty that, when, and to what extent we may be able to deliver the orders placed or complete the projects timely and with the desired quality. Further, we may be bound to certain terms in the contracts entered with the customers any non-adherence to the same may lead to breach of the contract, which may subject us to penalties and liquidated damages. Any such failure to adhere to the conditions may subject us to liquidated damages which could have an effect on the result of operation and cash flow. However, we have always followed policy of timely delivery of goods, execution of orders and ensuring customer satisfaction but we cannot assure that we will achieve the same in future which could have an adverse affect on our future operations and profitability.

8. We have been procuring business from Government entities, which are undertaken through bidding process and failure to procure such tenders on a continuous basis could adversely impact our revenues and profitability.

In case of projects awarded by Government Companies, our company bids in the prospective tenders where bidders are scrutinized for technical and financial qualifications. Quality and reliability of the products, competitive bids at which the tenders are subscribed, ability to perform the tenders within time, etc. are some of the major criteria upon which the government companies awards the tender. However, there is no assurance that we will be able to obtain continuous business, get awarded with tenders every time or at all. The loss of interruption of work, by a significant customer or a number of significant customers or the inability to procure tender contracts on a regular basis or at all may have an adverse effect on our revenues, cash flows and operations.

9. Our company has not complied with some statutory provisions of the Companies Act. Such non-compliance may attract penalties against our Company which could impact the financial position of us to that extent. Moreover few of our share transfer deeds are not traceable.

Our Company has not complied with certain statutory provisions under the Companies Act 1956 /2013, for instance we have provided corporate guarantee for securing the loan taken by Radhika Transmission Private Limited where we have common director which is not allowed as per the provision of Section 185 under the Companies Act 2013. Further, there are certain discrepancies noticed in some of our corporate records relating to forms filed with the Registrar of Companies related to appointment of Auditors and regularization of Directors. Any penalty or action taken by any regulatory authorities in future for non-compliance with provisions of corporate and other law could impact the financial position of the Company to that extent.

There have also been instance of non-filing of registration/satisfaction of charge on term loan taken from Canara Bank, vehicle loan and other loans. In terms of the Companies Act, our Company was required to make the requisite form filing with the RoC within 30 days from the date of creation/satisfaction of the charge. If any prosecution arises in future due to the said non-filing of form, our Company will have to bear penalties as imposed by regulatory authority which will impact the financial position of company.

Our Company has made some clerical mistakes in documents and form filed in registrar of Companies, for instance, in Annual Returns filed by our Company in past years, some errors inadvertently made by Company in disclosure in respect of share transfers. Also, few of the Share Transfer deeds for transfers made are not traceable. Although no show cause notice have been issued against our Company till date in respect of above, in the event of any



cognizance being taken by the concerned authorities in respect of above, actions may be taken against our Company and its directors, in which event the financials of our Company and our directors may be affected.

10. We operate in the power transmission industry which is a highly technical and regulated sector and if we fail to comply with the regulations prescribed or standards set by our customers, our business, results of operations, cash flows and financial condition could be adversely affected.

Our operations of manufacturing cables and conductors, forming part of the power transmission industry, which is highly technical and regulated sector and are also subject to stringent quality standards. The products manufactured by us need to comply with certain standards as prescribed by the Bureau of Indian Standards (BIS). The registration requires our Company to comply with the specific provisions of various acts enforceable by the BIS for power transmission, most of which are stringent and they may continue to be stricter in the future. The penalties for noncompliance with these regulations can vary from revocation or suspension of the registration to imposition of fines or confiscation of the products manufactured, stored or sold. These regulations are not only required to be adhered to as part of our regulatory mandate but also technical specifications and pre-qualifications of our products is a substantial issue for our customers. Our customers, who are into the power transmission, real estate and other industrial sector, prefer products that adhere to strict standards and regulations and hence variations in product quality could result in loss of a substantial customer. We hold license from the Bureau of Indian Standards confirming that all our products meet the specified requirements. However, we cannot guarantee that these licenses will be available to us in future or they will be renewed in proper time. Consequently, there is an increased risk that we may inadvertently fail to comply with such regulations or procedures, which could lead to a variety of sanctions being imposed by the relevant authorities, as well as withholding or delay in further production process. Further, any adverse change in the regulatory environment or client procedures in the future may subject us to increased obligations and may adversely affect our business, cash flows and results of operations.

11. The name of our company is appearing in the list of watchout investor for "defaulting in payment of Custom/Excise duties" and the company possesses no information and documents with regards to the same.

The name of our Company is appearing in the list of watch out investor under the regulatory charges "defaulted in payment of Custom/Excise duties – Notice issued under section 142 of Custom Act dated March 31, 2014". However the company does not possess the relevant notice and/or the documents related the above mentioned notice. In absence of the available documents we cannot ascertain the financial impact of the same on the Company. Also due to non availability of the documents we are not sure that the said default has been rectified or not. Any further action being taken by the relevant authorities for such defaults may have an adverse affect on our financials and results of operations.

12. The name of our group companies namely Bhavsagar Commodities Private Limited and Balgopal Commodeal Private limited have been associated by the Income Tax officer in their demand notice with person who were engaged in providing pre-arranged entries to different companies for commission. Although our company has preferred an appeal against the said order but we cannot assure the outcome of the appeal.

The assessing officer of the Income Tax during the course of his assessment have associated the name of our group companies namely Bhavsagar Commodities Private Limited and Balgopal Comodeal Private Limited with person who were engaged in providing pre-arranged entries to different companies for commission. However, none of the said persons are currently holding any shareholding or directorship in our Group Company as on the date. Further, our company has also preferred an appeal against the said order. Any adverse outcome of the appeal or any further association of the name of the said person with our Group companies may have an adverse affect on the business operation of our Group Companies.

13. Our Group Company i.e. Manro Finance & Traders Private Limited has been categorized as High risk financial institution.

Our Group Company Manro Finance & Traders Private Limited has been categorized as a High risk financial institution by RBI because of non-registration of its principal officer with FIU as required under Prevention of



Money Laundering Act. Our Company pursuant to receipt of notice for such non-compliance had appointed Kamal Kumar Changia as principle officer vide application dated May 15, 2018. Any further proceedings pursuant to such application could adversely affect the overall operations of the said company and financial conditions and also divert the attention of the management and promoter towards the Group Company which could have an adverse affect on our operations and financials

### 14. Relevant copies of educational qualifications of some of our Promoters, Directors and Key Managerial Personnel are not traceable.

Relevant copies of the educational qualifications of Mr. Shree Ballabh Fomra, Raj Kumari Fomra & Madan Mohan Fomra are not traceable. In accordance with the disclosure requirements brief biographies of the Promoters, Director and Key Managerial Personnel's are disclosed in the section entitles "Our Management" on page 156 of this Draft Red Herring Prospectus which are based on the affidavits received from the concerned person. However, we have relied on affidavits provided by such Promoter, Directors and Key Managerial Personnel's to verify the authenticity of such disclosure.

# 15. The premises at which the factory unit 1 and project offices are situated have been taken on rent or lease by our Company.

Our Factory Unit situated at 93, Dakhindari Road, Kolkata – 700048 West Bengal, India, has been taken on rent vide rent agreement dated May 16, 1994 and August 30, 1997 from Balahari Sardar & Bros. (Surgico) Pvt. Ltd. and the project offices which are currently being used by us have also been taken on rent. Some of the rent agreements with respect to the projects which we are currently using are under the process of renewal. Any breach of the terms / non renewal of the rent agreement may require us to vacate the said premises and arrange for new places to carry on our operations which may cause disruption in our operations and business and impede our effective operations and thus adversely affect our profitability. For more information on the location and other details, please refer to chapter "Our Business" on page 125 of this Draft Red Herring Prospectus.

Also, the land factory Unit at Mouza Bhagabatipur J.L. No. 7 P.S. Sankrail Dist. Howrah under Khatian NOS 1935,1936,1937,1938 & 1939 and Mouza Jaladhulagori J.L. No. 2 P.S. Sankrail Dist. Howrah under Khatian NOS 1136, 511, 1363, 1079, 1458, 1558, 1595, 2017, 2018, 2019, 2020, 2022, 2023, 816 & 473 are Sali land at the time of acquisition and are required to be converted to non-agriculture land for setting up of Industries, however the same has not yet been converted. We cannot assure you that the said premises will be converted to industrial land or not. Any denial for the conversion may have an adverse affect on the operations of our company and also subject us to penalty provision which could have an adverse affect on our business and results of operation.

Further, we also share the corporate office of our company with our Group Company i.e. Shreyash Aluminium & Alloys Private Limited, and there are no demarcation of the premises and facilities installed therein for use. Any multiple or overlapping use of the said facilities may create some disruption which may affect our business operation.

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

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

Particulars		For the year ended (in ₹ Lakhs)				
	31.01.2018	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
Net cash flow from Operating activities	3534.63	3939.80	4422.45	3098.38	1393.33	328.95
Net cash flow from Investing activities	(912.85)	(1836.98)	(1497.85)	(1218.13)	(768.83)	(404.53)
Net cash flow from Financing activities	(2540.28)	(2011.92)	(3130.47)	(1762.43)	(707.25)	28.79



For details, please see the chapter titled "Financial Information of Our Company" on page 189 of this Draft Red Herring Prospectus. Any negative cash flows in the future could adversely affect our results of operations and consequently our revenues, profitability and growth plans.

# 17. We are subjected to penalties and liquidated damages in case of contracts entered into with Government entities in case of default. Further, we may be liable to terminate such contracts in case of breach of certain terms and conditions.

We are subjected to penalties or liquidated damages in case of contracts entered into with the Government entities. Any failures to adhere to a contractually agreed schedule for reasons other than the agreed force majure events could result in us being required to pay liquidated damages or penalties. Further, we are bound by certain contractual liabilities for not adhering to conditions mentioned in the contract. Any delay in adhering to a specified delivery schedule or breaching other terms of contract may adversely profitability, working capital requirements, and cash flows and may also lead to termination of contracts in some instances. Further, such instances may also affect our ability and chances to be awarded with such tenders in future.

Our contacts may be terminated in case we breach any condition of the contract or we may be held liable for any default in the material or erection done by us. Also, some of our contract contain clause related to restriction on high value products or no price adjustment clause which may restrict our operations and working at the project site and may have an adverse affect on our business operations and profitability.

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

Obsolescence, destruction, theft or breakdowns of our major plants or machineries may significantly increase our machineries repair/replacement cost and the depreciation of our plants and machineries, as well as change the way our management estimates the useful life of our plants and machineries. In such cases, we may not be able to acquire new plants or machineries or repair the damaged plants or machineries in time or at all, particularly where our plants or machineries are not readily available from the market or require services from original machinery manufacturers. Some of our machineries or parts may be costly to replace or repair. We may experience significant price increases due to supply shortages, inflation, transportation difficulties or unavailability. Such obsolescence, destruction, theft, breakdowns, repair or maintenance failures or price increases may not be adequately covered by the insurance policies availed by our Company and may have an effect our business, cash flows, financial condition and results of operations

For further details of our Plant and Machineries, please refer to chapter titled "Our Business" beginning on page 125 of the Draft Red Herring Prospectus.

# 19. Negative publicity with respect to our products or the industry in which we operate could adversely affect our business, financial condition and results of operations.

Our business is dependent on the trust our customers have in the quality of our products. Any negative publicity regarding us, our products i.e., conductors and industry generally could adversely affect our reputation and our results of operations. Challenges to the conflict-free status of conductors used in our industry and sold by us may result in a negative change in consumer attitudes to conductors and could result in negative publicity, having a material adverse effect on our business, financial condition and results of operations.

# 20. Our manufacturing facilities are geographically located in West Bengal and therefore, any localized social unrest, natural disaster or breakdown of services or any other natural disaster in and around West Bengal could have material adverse effect on our business and financial condition.

Both of our manufacturing facilities are located at Kolkata, West Bengal. As a result, any localized social unrest, natural disaster, adverse weather conditions, earthquakes, fires, explosives, power loss, or breakdown of services and utilities in and around Kolkata, West Bengal could have material adverse effect on our business, financial position and results of operations. Further, any failure of our systems or any shutdown of any part of our



manufacturing units, networks, operations because of operational disruptions, natural disaster or other factors, could disrupt our services and adversely affect our result of operations and financial condition

### 21. We have not received NOC of our lenders for undertaking the initial public offer of equity shares.

As on the date of this Draft Red Herring Prospectus, we have applied for NOC for the Proposed Issue from our lender, i.e. Canara Bank, Union Bank of India, Karnataka Bank and Punjab National bank, but we are yet to receive the same. However, our Company intends to obtain the necessary NOC in relation to the proposed issue from such lender prior to the filing of the Prospectus with the RoC. Undertaking the proposed issue without obtaining such lender NOC may constitute a default under such loan agreement, which could impact our loan facilities and may have an effect on our financial condition and results of operations.

# 22. Some of our rent deeds are not notarized attested or registered and thus may not be legally enforceable which may have a material adverse impact on our business.

Some of our rent deeds such as rent deed for the factory unit 1 and some of the rent deeds for the project offices have not been notarized attested or registered with the relevant authorities. The effect of non stamping and/or non registration is that the document is not admissible as evidence in legal proceedings, and parties to that agreement may not be able to legally enforce the same. In the event of any dispute arising out of such unstamped and/or unregistered agreements, we may not be able to effectively enforce our rights arising out of such agreements which may have a material adverse impact on our business

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

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

(Amt in Rs. Lacs)

Company	Profit/ (Loss) for the financial year ended on		
	March 31, 2017	March 31, 2016	March 31, 2015
Manro Finance & Traders Private Limited	0.89	(21.31)	6.33
Bhavsagar Commodities Private Limited	(43.78)	2.09	0.89
Balgopal Commodeal Private Limited	(15.78)	(4.93)	0.46

Any operating losses by our Group Companies could adversely affect the overall operations of the group and financial conditions. For more information, regarding the Companies, please refer chapter titled "Our Group Companies" beginning on page 177 of this Draft Red Herring Prospectus.

#### 24. Our Contingent Liability and Commitments could affect our financial position.

As on January 31<sup>st</sup>, 2018 we had Contingent Liability of ₹ 26818.15 Lakhs which has not been provided in our financial statements and which could affect our financial position. Details of Contingent Liabilities and commitments are as follows:-

Particulars	Amount (in ₹ Lakhs)
Contingent Liabilities:	
Bank Guarantees	20136.14
Letter of Credit issued in favour of suppliers	3941.56
Matters pending before appellate authorities	1945.45
Corporate Guarantee provided	795.00
TOTAL	26818.15

For further details on the same please refer "Note 31" under section "Financial Information of the Company" beginning on page 240 of the Draft Red Herring Prospectus.



### 25. Our Company's manufacturing activities are labour intensive and depend on availability of labour. In case of unavailability of such labour, our business operations could be affected.

Our operations and manufacturing process are labour intensive and depends on our ability to retain labour. In case such labour is unavailable or we are unable to identify and retain such labour our business could be adversely affected. But, we cannot guarantee that we may be able to continue with the same on favourable terms or at all. Any such failure may impact the operations, business process and profitability. In case of any action being taken against our Company by any competent authority for hiring labour through Job work basis may adversely affect our business operations and financials.

Additionally, we have seen an increasing trend in manpower costs in India, which has had a direct impact on our employee costs and consequently, on our margins. Further, the minimum wage laws in India may be amended leading to upward revisions in the minimum wages payable in one or more states. We may need to increase compensation and other benefits in order to attract and retain key personnel in the future and that may materially affect our costs and profitability. We cannot assure you that as we continue to grow our business in the future, our employee costs coupled with operating expenses will not significantly increase.

### 26. Our operations may be adversely affected in case of industrial accidents at our production facility and project sites.

Usage of heavy machinery, handling of materials by labour and lifting of materials by humans, cranes etc. may result in accidents during production process or while undertaking the projects which could cause injury to our labour, employees, other persons on the site and could also damage our properties and equipments thereby affecting our operations.

Although we take all necessary steps to ensure safety and reduce the possibility of any accidents, including human fatalities, but accidents may occur and there can be no assurance that our safety measures and the precautions undertaken will be completely effective or sufficient. Further, we also maintain adequate insurance cover in relation to the foregoing events but a claim filed by us with our insurer may be rejected or may not fall under the insurance cover maintained by us or our claim is subject to any deductible or delay in settlement, amongst other things, our risk exposure will increase. Any accident at our area of operations could also have a negative impact on our reputation. Such accidents may have an adverse effect on our business operations.

27. Our Company's logo CABCON is not registered as on date of Draft Red Herring Prospectus. We may be unable to adequately protect our intellectual property. Furthermore, we may be subject to claims alleging breach of third party intellectual property rights.

As on date of Draft Red Herring Prospectus, our application made under the Trademarks Act, 1999 for registration

of our logo CABCON is not yet registered in the name of our Company by the trademark authority and hence, we do not enjoy the statutory protections accorded to a registered logo. We cannot assure you that any application for registration of our logo in future by our Company will be granted by the relevant authorities in a timely manner or at all. Further, there can be no assurance that third parties will not infringe our intellectual property, causing damage to our business prospects, reputation and goodwill. We may not be able to detect any unauthorized use or our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. We may need to litigate in order to determine the validity of such claims and the scope of the proprietary rights of others. Any such litigation could be time consuming and costly and the outcome cannot be guaranteed.

28. Our Group Company is engaged in the line of business similar to our Company. We cannot assure that our Promoter will not favour the interests of such entity over our interest or that the said entity will not expand which may increase our competition and may adversely affect business operations and financial condition of our Company.



Our Group Company namely, Radhika Transmission Private Limited is engaged in the similar line of business as of our Company. Further, we have not entered into any none compete agreement with them. We cannot assure that our Promoter who has common interest in said entity will not favour the interest of the said entity. As a result, conflicts of interests may arise in allocating business opportunities amongst our Company and our Group Company in circumstances where our respective interests diverge. In cases of conflict, our Promoter may favour other entities in which our Promoter has interests. There can be no assurance that our Promoter or our Group entities or members of the Group entity will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours. Any such present and future conflicts could have a material adverse effect on our reputation, business, results of operations and financial condition which may adversely affect our profitability and results of operations. For further details, please refer to Chapter titled "Our Group Companies" on Page 177 of this Draft Red Herring Prospectus.

# 29. Our Company has Export Obligations which are outstanding under the Export Promotion Capital Goods Scheme and Advance Authorization Scheme availed for Import.

Our Company is engaged in manufacturing of cables and conductors. Further our Company has availed benefit and saved Custom duty on its imports for which it has certain obligation to export under the Export Promotion Capital Goods Scheme and Advance Authorization Scheme. Export Obligation under EPCG License and Advance License is required to be fulfilled by export of goods manufactured by our Company in proportion of the total duty saved on import to be fulfilled in 6 years or 18 months respectively from authorization issue date. Any failure to comply with export Obligation will affect the financial position of our Company. For detailed please refer to the section titled "Our Business" and "Government and other Approvals" beginning on page 125 and 317 respectively of this Draft Red Herring Prospectus.

## 30. We could be harmed by employee misconduct or errors that are difficult to detect and any such incidences could adversely affect our financial condition, results of operations and reputation.

Employee misconduct or errors could expose us to business risks or losses, including regulatory sanctions and serious harm to our reputation. There can be no assurance that we will be able to detect or deter such misconduct. Moreover, the precautions we take to prevent and detect such activity may not be effective in all cases. Our employees and agents may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions on account of which our business, financial condition, results of operations and goodwill could be adversely affected.

### 31. Our Company has taken unsecured loans that may be recalled by the lenders at any time and our Company may not have adequate working capital to make timely payments or at all.

Our Company has availed unsecured loans which may be recalled by its lenders at any time. As on January 31, 2018, such loans amounted to Rs. 2690.77 Lacs. In the event that any lender seeks a repayment of any such loan, our Company would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. As a result, any such demand may materially and affect our business, cash flows, financial condition and results of operations. For further details, please see the section entitled "Statement of Financial Indebtedness" on page 291 of this Draft Red Herring Prospectus.

# 32. Our insurance coverage may not be adequate to protect us against certain operating hazards and this may have a material adverse effect on our business.

Our business involves many risks and hazards which may affect our profitability, including breakdowns, failure or substandard performance of equipment, third party liability claims, labour disturbances and infrastructure failure. Our company has obtained insurance coverage in respect of certain risks which consists of Marine cum Erection Insurance Policy, Marine Open Inland Declaration Policy, Burglary Floater Policy, Burglary Standard Policy, Keyman Insurance Policy, Standard Fire & Special Perils Policy & Money Insurance Policy and vehicle insurance. We believe that we have got our assets adequately insured; however there can be no assurance that any claim under the insurance policies maintained by us will be honored fully, in part or on time, to cover all material losses. To the



extent that we suffer any loss or damage that is not covered by insurance or exceeds our insurance coverage, our business and results of operations could be adversely affected.

33. Information relating to our production capacities and the historical capacity utilization of our production facilities included in this Draft Red Herring Prospectus is based on certain assumptions and has been subjected to rounding off, and future production and capacity utilization may vary.

Information relating to our production capacities and the historical capacity utilization of our production facilities included in this Draft Red Herring Prospectus is based on various assumptions and estimates of our management, including proposed operations, assumptions relating to availability and quality of raw materials, assumptions relating to operational efficiencies, as well as assumptions in relation to the average density of products manufactured by us. Actual production levels and utilization rates may differ significantly from the estimated production capacities or historical estimated capacity utilization information of our facilities. Undue reliance should therefore not be placed on our production capacity or historical estimated capacity utilization information for our existing facilities included in this Draft Red Herring Prospectus. For further information, see the section titled "Our Business" on page 125 of this Draft Red Herring Prospectus.

### 34. Any Penalty or demand raised by statutory authorities in future will affect the financial position of our Company.

Our Company is mainly engaged in business of manufacturing of cables, conductors and EPC projects for rural electrification which attracts tax liability such as goods and service tax (for past years excise duty, sales tax, service tax & VAT), income tax, provident fund, employee state insurance and other applicable provision of the acts. However, our Company has been depositing the return under above applicable acts but any demand or penalty raise by concerned authority in future for any previous year and current year will affect the financial position of our Company. It has contingent liability of ₹ 1660.61 Lacs for excise duty, entry tax, VAT and CST. For details, please refer to the chapter titled "Outstanding Litigation and Material Developments" beginning on page 306 of Draft Red Herring Prospectus. Any such penalty and prosecution arising in future may lead to financial loss to our Company.

# 35. Our Company had entered into various transactions with our Promoters, Promoter Group, Directors and Group Companies.

Our Company had entered into various transactions with our Promoters, Promoter Group, Group Companies & Directors. We believe that all such transactions have been conducted on arm's length basis; however, there can be no assurance that we could not have obtained better and more favourable terms than from transaction with related Parties. Our Company may continue to enter into such transactions in future also and we cannot assure that in such an event there would be no adverse effect on results of our operations. For details please refer to **Note 30 – Restated standalone summary statement of related party transaction** of the Auditor's Report under Section titled "Financial Information of the Company" beginning on page 235 of the Draft Red Herring Prospectus.

# 36. Our operations are subject to high working capital requirements. Our inability to maintain an optimal level of working capital required for our business may impact our operations adversely.

Our business requires significant amount of working capital and major portion of our working capital is utilized towards debtors, inventories and cash and cash equivalents. We have been sanctioned working capital of ₹ 9000 lakhs from Canara Bank, Union bank of India, Karnataka Bank and Punjab National bank. Our growing scale and expansion, if any, may result in increase in the quantum of current assets. Our inability to maintain sufficient cash flow, credit facility and other sourcing of funding, in a timely manner, or at all, to meet the requirement of working capital or pay out debts, could adversely affect our financial condition and result of our operations. Further, we have high outstanding amount due from our debtors which may result in a high risk in case of non-payment by these debtors. In case of any such defaults from our debtors, may affect our business operations and financials.

For further details regarding working capital requirement, please refer to the section "Objects of the Issue" on page 104 of this Draft Red Herring Prospectus.



#### 37. Our operations are subject to environmental, health and safety laws and regulations.

Our operations are subject to various Central and State environmental laws and regulations relating to the control of pollution in the area where we operate. In particular, the discharge or emission of chemicals, dust or other pollutants into the air, soil or water that exceed permitted levels and cause damage to others may give rise to liability to the Government and third parties, and may result in our incurring costs to remedy such discharge or emissions. There can be no assurance that compliance with such environmental laws and regulations will not result in a curtailment of operations, or a material increase in the costs of operations, or otherwise have a material adverse effect on the financial condition and results of our operations. Environmental laws and regulations in India have been increasing in stringency and it is possible that they will become significantly more stringent in the future. Stricter laws and regulations, or stricter interpretation of the existing laws and regulations, may impose new liabilities on us or result in the need for additional investment in pollution control equipment, either of which could adversely affect our business, financial condition or prospects. While as of the date of this Draft Red Herring Prospectus, we are not subject to any environmental legal proceedings, we may be impleaded in such legal proceedings in the course of our business. Such legal proceedings could divert management time and attention, and consume financial resources in defense or prosecution of such legal proceedings or cause delays in the production, development or commencement of operations of our projects. No assurance can be given that we will be successful in all, or any, of such proceedings.

#### 38. We have not made any provisions for decline in value of our investments.

We have made certain investments, the value of such investments may decline due to reasons which are beyond our control like losses made by them or reduction in their networth. Hence, we may hold investments on our books at cost which could be higher than their actual realizable values, but we do not make provisions for the decline in value of these assets and instead record actual gain or losses on investments only upon final sale of these assets and realization of sale proceeds. As on January 31, 2018 the value of our investment stood at ₹ 445.01 lacs which includes the value of the investment in Subsidiary company lying under Non-Current Investment. If, we are unable to realize cost value and we liquidate investments at a price below its cost value, we may incur a substantial loss in a particular period and hence may affect our share prices as well as financial conditions.

39. We appoint contract labour for carrying out certain operations and we may be held responsible for paying the wages of such workers, if the independent contractors through whom such workers are hired default on their obligations, and such obligations could have an effect on our results of operations and financial condition.

In order to retain flexibility and control costs, our Company appoints independent contractors who in turn engage contract labour for performance of certain of our operations at our manufacturing facilities. Although our Company does not engage these labourers directly, we may be held responsible for any wage payments to be made to such labourers in the event of default by such independent contractors. Any requirement to fund their wage requirements may have an impact on our results of operations and financial condition. Additionally, non adherence of any regulatory compliance under the Contract Labour (Regulation and Abolition) Act, 1970, as amended will affect our business. Thus, any such order from a regulatory body or court may have an effect on our business, results of operations and financial condition.

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

India is our primary market and we face competition in our business from local as well as nationwide manufacturers of cables and conductors. The products that we sell are of an industrial nature, i.e. there are a large number of players manufacturing same or similar products. Thus, competition in these markets is based primarily on demand and price. As a result, to remain competitive in our market, we must continuously strive to reduce our procurement, transportation and distribution costs, improve our operating efficiencies and secure our materials requirements. If we fail to do so, other manufacturers and suppliers of similar products may be able to sell their products at prices lower than our prices, which would have an adverse effect on our market share and results of operations. Increased consolidation in the power transmission industry means that many of our competitors may benefit from greater



economies of scale, including the ability to negotiate preferential prices for products or receive discounted prices for bulk purchases of goods that may not be available to us.

#### 41. We may not be able to sustain effective implementation of our business and growth strategy.

The success of our business will largely depend on our ability to effectively implement our business and growth strategy. In the past we have generally been successful in execution of our business but there can be no assurance that we will be able to execute our strategy on time and within the estimated budget in the future. If we are unable to implement our business and growth strategy, this may have an adverse effect on our business, financial condition and results of operations.

### 42. Any delay in production at, or shutdown of, any of our manufacturing facilities or project sites, could adversely affect our business, results of operations and financial condition.

The success of our manufacturing activities depends on, among others, the productivity of our workforce, compliance with regulatory requirements and the continued functioning of our manufacturing processes and machinery. Disruptions in our manufacturing activities could delay production or require us to shut down the affected manufacturing facility, which could adversely affect our finance and operations. Further our manufacturing facility is located in Howrah, West Bengal any disruption in the location where our manufacturing facility is situated may also have an adverse impact on our operations.

Also, there may be certain factors such as non availability of labour, equipments, material or any other factors which may be beyond our control such as adverse weather conditions, local disturbances etc which could require us to temporarily close or shutdown the project site. Happening of any such scenario may require us to either re-schedule our project completion timelines or strain our resources for timely completion of the projects which may have an adverse affect on our operation and financials results.

# 43. Our Company is dependent on third party transportation providers for the delivery of raw materials/finished products and any disruption in their operations or a decrease in the quality of their services could affect our Company's reputation and results of operations.

Our Company uses third party transportation providers for delivery of our raw materials and finished products. Though our business has not experienced any disruptions due to transportation strikes in the past, any future transportation strikes may have an adverse effect on our business. These transportation facilities may not be adequate to support our existing and future operations. In addition raw materials/ finished products may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. There may also be delay in delivery of products which may also affect our business and results of operation negatively. An increase in the freight costs or unavailability of freight for transportation of our raw materials may have an adverse effect on our business and results of operations.

Further, disruptions of transportation services due to weather-related problems, strikes, lock-outs, inadequacies in the road infrastructure and port facilities, or other events could impair ability to procure raw materials on time. Any such disruptions could materially and adversely affect our business, financial condition and results of operations.

# 44. We are subject to the restrictive covenants of banks in respect of the Loans/ Credit Limits and other banking facilities availed from them.

Our financing arrangements contain restrictive covenants whereby we are required to obtain approval from our lender, regarding, among other things such as major changes in share capital, changes in fixed assets, creation of any other charge, not to issue any personal guarantee by the guarantors etc. There can be no assurance that such consents will be granted or that we will be able to comply with the financial covenants under our financing arrangements. In the event we breach any financial or other covenants contained in any of our financing arrangements, we may be required under the terms of such financing arrangements to immediately repay our borrowings either in whole or in part, together with any related costs. This may adversely impact our results of operations and cash flows.



45. We have significant power requirements for continuous running of our factories. Any disruption to our operations on account of interruption in power supply or any irregular or significant hike in power tariffs may have an effect on our business, results of operations and financial condition.

Our factories have significant electricity requirements and any interruption in power supply to our factories and offices may disrupt our operations. Our business and financial results may be affected by any disruption of operations. We depend on third parties for all of our power requirements. Further, we have limited options in relation to maintenance of power back-ups such as diesel generator sets and any increase in diesel prices will increase our operating expenses which may impact our business margins. Since we have significant power consumption, any unexpected or significant increase in its tariff can increase the operating cost of factories and offices. There are limited number of electricity providers in area from where we operate due to which in case of a price hike we may not be able to find a cost-effective substitute, which may negatively affect our business, financial condition and results of operations.

46. Our Promoters, together with our Promoter Group will continue to retain majority shareholding in our Company after the Issue. We cannot assure you that our Promoters and Promoter Group will always act in the best interests of the Company or you.

The majority of our issued and outstanding Equity Shares are currently owned by the Promoters and the Promoter Group. Upon completion of the Issue, the Promoters along with the Promoter Group will continue to own 149,30,545 Equity Shares, or 73.09 % of our post-Issue Equity Share capital, assuming full subscription of the Issue. Accordingly, the Promoters and the Promoter Group will continue to exercise significant influence over our business policies and affairs and all matters requiring shareholders approval, including the composition of the Board of Directors, the adoption of amendments to our constitutional documents, lending, investments and capital expenditures.

This concentration of ownership also may delay, defer or even prevent a change in control of our company and may make some transactions more difficult or impossible without the support of these stockholders which could have an adverse effect on the company. The interests of the Promoters and Promoter Group as the Company's controlling shareholders could conflict with the Company's interests or the interests of its other shareholders. We cannot assure that the Promoters and Promoter Group will act to resolve any conflicts of interest in the Company's or your favour which may have an adverse effect on our business and financials.

47. Loans availed by our Company have been secured on personal guarantees of our Promoter and Promoter Group member and subsidiary company.

Our Promoters, Promoter Group member and subsidiary company has provided personal/corporate guarantee to secure a significant portion of our existing borrowings taken from Banks, and may continue to provide such guarantee and other security post listing. In case of a default under our loan agreements, the personal/corporate guarantee provided by our Promoters, Promoter Group member and subsidiary company may be invoked which could negatively impact their reputation and net worth. Also, we may face certain impediments in taking decisions in relation to our Company, which in turn would result in an adverse effect on our financial condition and results of operations. In addition, in case the guarantee is invoked we may be required to arrange for additional guarantee in favour of the bank to secure the financial assistance. For further details regarding loans availed by our Company, please refer to the chapter titled "Statement of Financial Indebtedness" beginning on page 291 of this Draft Red Herring Prospectus.

48. Our Company has allotted Equity Shares during the preceding one year from the date of the Draft Red Herring Prospectus which may be lower than the Issue Price.

Our Company has made certain allotment of fresh Equity Shares to the members of our Company during past 12 months prior to the date of filing of Draft Red Herring Prospectus which may be lower than the Issue Price. The Equity Shares allotted to the investors pursuant to this issue may be priced significantly higher due to various factors including better performance by our Company, better economic conditions and passage of time. For details, please



refer to section titled "Capital Structure" beginning on page 70 of this Draft Red Herring Prospectus. The Issue Price is not indicative of the price that will prevail in the open market following listing of the Equity Shares.

49. Any future issuance of Equity Shares may dilute the shareholding of the Investor or any sale of Equity Shares by our Promoter or other significant shareholder(s) may adversely affect the trading price of the Equity Shares.

Any future issuance of Equity Shares by our Company could dilute the shareholding of the investor. Any such future issuance of our Equity Shares or sales of our Equity Shares by any of our significant shareholders may adversely affect the trading price of our Equity Shares and could impact our ability to raise capital through an offering of our securities. While the entire Post-Issue paid-up share capital, held by our Promoters or other shareholders will be locked-in for a period of 1 (one) year and minimum promoter contribution subject to a minimum of 20% of our post-Issue paid-up capital will be locked-in for a period of 3 (three) years from the date of allotment of Equity Shares in the Issue, upon listing of our Equity Shares on the Stock Exchanges. For further information relating to such Equity Shares that will be locked-in, please refer to the sub-section titled "Notes to the Capital Structure" under the section titled "Capital Structure" beginning on page 70 of the Draft Red Herring Prospectus. The future issuance or sale of the equity shares of our company by our Promoter or by other significant shareholder(s) or if there is any perception or belief that such sales of Equity Shares might occur may significantly affect the trading price of our Equity Shares.

50. We are heavily dependent on our Directors and Key Managerial Personnel for the continued success of our business through their continuing services and strategic guidance and support.

Our success heavily depends upon the continued services of our Directors and Key managerial personnel, along with support of our Promoter. We also depend significantly on our Key Managerial Persons for executing our day to day activities. The loss of any of our Directors and Key Management Personnel, or failure to recruit suitable or comparable replacements, could have an adverse effect on us. The loss of service of the Key managerial personnel and other senior management could seriously impair the ability to continue to manage and expand the business efficiently. If we are unable to retain qualified employees at a reasonable cost, we may be unable to execute our growth strategy. For further details of our Directors and key managerial personnel, please refer to Section "Our Management" on page 156 of this Draft Red Herring Prospectus.

51. The average cost of acquisition of Equity Shares by our Promoters could be lower than the Issue Price.

Our Promoters average cost of acquisition of Equity Shares in our Company may be lower than the Issue Price as maybe decided by our Company, in consultation with the Book Running Lead Manager. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoters in our Company, please refer to the chapters "Risk Factors - Prominent Notes" and "Capital Structure" beginning on pages 18 and 70 respectively of this Draft Red Herring Prospectus.

52. Our Directors are interested in our Company to the extent of their shareholding and dividend entitlement on the shares held by them, in addition to the normal remuneration, other benefits and reimbursement of expenses payable to them.

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



53. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule.

The proposed fund requirement for our working capital requirements, as detailed in the chapter titled "Objects of the Issue" is to be funded from the proceeds of this Issue. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule. We therefore, cannot assure that we would be able to execute our future plans/strategy within the given timeframe. For details, please refer to the chapter titled "Objects of the Issue" beginning on page 104 of this Draft Red Herring Prospectus.

54. There is no monitoring agency appointed by our Company and the deployment of funds are at the discretion of our Management and our Board of Directors, though it shall be monitored by our Audit Committee.

As per SEBI (ICDR) Regulations, 2009, as amended, appointment of monitoring agency is required only for Issue size above ₹ 10,000.00 Lacs. Hence, we have not appointed any monitoring agency to monitor the utilization of Issue proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the Stock Exchange and shall also simultaneously make the material deviations / adverse comments of the audit committee public.

55. The deployment of funds raised vide the issue will be entirely at our discretion and as per the details mentioned in the Chapter titled "Objects of the Issue". The delay, if any, in the implementation or utilization of funds raised in the public issue may affect our operation and results.

Our funding requirements and the deployment of the Net Issue proceeds are based on estimates of our management and promoters, these estimates have not been appraised by any bank or financial institution. We cannot assure that these estimates are accurate and will not change. Further, the deployment of the funds towards the "Objects of the Issue" will be entirely at the discretion of our Board of Directors and is not subject to monitoring by any external independent agency. However, the deployment of funds will be subject to monitoring by our audit committee.

Further, the proposed schedule may be delayed by any reason whatsoever, including any delay in completion of the Issue. As we have not identified any alternate source of finance for the "Object of the Issue", if the schedule of implementation is delayed, we may have to revise our working capital limits resulting in unprecedented financial mismatch and this may affect our revenues and results of operations.

For further information, please refer the chapter titled "**Object of the Issue**" beginning on page 104 of the Draft Red Herring Prospectus.

### 56. If we are unable to raise additional capital, our business prospects could be adversely affected.

We intend to fund our growth plans through our internal accruals, borrowings and capital. We will continue to incur significant expenditure in maintaining and growing our existing manufacturing infrastructure. We cannot assure you that we will have sufficient capital resources for our current operations or any future expansion plans that we may have. While we expect our internal accruals and cash flow from operations to be adequate to fund our existing commitments, our ability to incur any future borrowings is dependent upon the success of our operations. Additionally, the inability to obtain sufficient financing could adversely affect our ability to complete expansion plans. Our ability to arrange financing and the costs of capital of such financing are dependent on numerous factors, including general economic and capital market conditions, credit availability from banks, investor confidence, the continued success of our operations and other laws that are conducive to our raising capital in this manner. If we decide to meet our capital requirements through debt financing, we may be subject to certain restrictive covenants. If we are unable to raise adequate capital in a timely manner and on favorable terms, or at all, our business, results of operations, cash flows and financial condition could be adversely affected.

57. We have not paid any dividend in the past and our ability to pay any dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures.



We may or may not pay any dividend in the future and may retain a part or all our future earnings, if any, for use in the operations and expansion of our business. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant based on the business scenario, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements.

58. We cannot guarantee the accuracy or completeness of facts and other statistics with respect to India, the Indian economy and our industry contained in the Draft Red Herring Prospectus.

While facts and other statistics in this Draft Red Herring Prospectus relating to India, the Indian economy and our industry has been based on various government publications and reports from government agencies that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics included in the chapter titled "Our Industry" beginning on page 115 of this Draft Red Herring Prospectus. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

#### EXTERNAL RISK FACTORS

59. The Companies (Amendment) Act, 2017 has effected significant changes to the existing Indian Company law framework, which may subject us to higher compliance requirements and increase our compliance costs.

Companies Act, 2013 was notified in a phased manner starting from April 1, 2014. More recently Companies (Amendment) Act, 2017 has got President's assent and has been notified on January 03, 2018. A majority of the provisions and rules under the Companies Act, 2013 have been further modified. Further, we cannot currently determine the impact of provisions of the Companies Act, 2013 which have been recently amended or the provisions which are yet to come into force. To ensure compliance with the requirements of the Companies Act, 2013, as amended till date, we may need to allocate additional resources, which may increase our regulatory compliance costs and divert management attention.

60. The extent and reliability of Indian infrastructure could adversely affect our Company's results of Operations and financial condition.

India's physical infrastructure is in developing phase compared to that of many developed nations. Any congestion or disruption in its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our Company's normal business activity. Any deterioration of India's physical infrastructure would harm the national economy; disrupt the transportation of goods and supplies, and costs to doing business in India. These problems could interrupt our Company's business operations, which could have an adverse effect on its results of operations and financial condition.

61. The nationalized goods and services tax (GST) regimes implemented by the Government of India have impact on our operations.

The Government of India has from July 01, 2017 has implemented the Goods and Service Tax a comprehensive national goods and service tax (GST) regime that combines taxes and levies by the Central and State Governments into a unified rate structure.

62. Global economic, political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.



Global economic and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, fluctuations in commodities markets, consumer debt levels, unemployment trends and other matters that influence consumer confidence, spending and tourism. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency a magnitude, which may negatively affect our stock prices.

# 63. Economic developments and volatility in securities markets in other countries may cause the price of the Equity Shares to decline.

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investor's reactions to developments in one country may have adverse effects on the market price of securities of companies situated in other countries, including India. For instance, the recent financial crisis in the United States and European countries lead to a global financial and economic crisis that adversely affected the market prices in the securities markets around the world, including Indian securities markets. Negative economic developments, such as rising fiscal or trade deficits, or a default on national debt, in other emerging market countries may affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. The Indian stock exchanges have experienced temporary exchange closures, broker defaults, settlement delays and strikes by brokerage firm employees. In addition, the governing bodies of the Indian stock exchanges have from time to time imposed restrictions on trading in certain securities, limitations on price movements and margin requirements. Furthermore, from time to time, disputes have occurred between listed companies and stock exchanges and other regulatory bodies, which in some cases may have had a negative effect on market sentiment.

# 64. Natural calamities could have a negative impact on the Indian economy and cause Our Company's business to suffer.

India has experienced natural calamities such as earthquakes, tsunami, floods etc. In recent years, the extent and severity of these natural disasters determine their impact on the Indian economy. Prolonged spells of abnormal rainfall or other natural calamities could have a negative impact on the Indian economy, which could adversely affect our business, prospects, financial condition and results of operations as well as the price of the Equity Shares.

# 65. Government regulation of foreign ownership of Indian securities may have an adverse effect on the price of the Equity Shares.

Foreign ownership of Indian securities is subject to government regulation. Under foreign exchange regulations currently in effect in India, transfer of shares between non residents and residents are freely permitted(subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the rupees proceeds from the sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the Income Tax authorities. There can be no assurance that any approval required from the RBI or any other government agency can be obtained.

### 66. If certain labour laws become applicable to us, our profitability may be adversely affected.

India has stringent labour legislations that protect the interests of workers, including legislation that sets forth detailed procedures for dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. Any change or modification in the existing labour laws may affect our flexibility in formulating labour related policies.

### 67. Our performance is linked to the stability of policies and the political situation in India.

The Government of India has traditionally exercised, and continues to exercise, a significant influence over many



aspects of the economy. Our business, and the market price and liquidity of our Equity Shares, may be affected by interest rates, changes in government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. Since 1991, successive Indian governments have pursued policies of economic liberalization and financial sector reforms. The current Government has announced its general intention to continue India's current economic and financial sector liberalization and deregulation policies. However there can be no assurance that such policies will be continued and a significant change in the government's policies in the future could affect business and economic conditions in India and could also adversely affect our business, prospects, financial condition and results of operations.

Any political instability in India may adversely affect the Indian securities markets in general, which could also adversely affect the trading price of our Equity Shares. Any political instability could delay the reform of the Indian economy and could have a material adverse effect on the market for our Equity Shares. There can be no assurance to the investors that these liberalization policies will continue under the newly elected government. Protests against privatization could slow down the pace of liberalization and deregulation. The rate of economic liberalization could change, and specific laws and policies affecting companies in the industrial equipment manufacturing sectors, foreign investment, currency exchange rates and other matters affecting investment in our securities could change as well. A significant change in India's economic liberalization and deregulation policies could disrupt business and economic conditions in India and thereby affect our business.

#### **Prominent Notes:**

- 1. Public Issue of 54,96,000 Equity Shares of Face Value of ₹ 10/- each of Cabcon India Limited ("Cabcon" or "Our Company" or "The Issuer") for Cash at a Price of ₹ [•] Per Equity Share (Including a Share Premium of ₹ [•] per Equity Share) ("Issue Price") aggregating to ₹ [•] Lacs, of which 2,76,000 Equity Shares of Face Value of ₹10/- each at a price of ₹ [•] each aggregating to ₹ [•] Lacs will be reserved for subscription by Market Maker ("Market Maker Reservation Portion") and Net Issue to Public of 52,20,000 Equity Shares of Face Value of Rs. 10/- each at a price of ₹ [•] each aggregating to ₹ [•] Lacs (hereinafter referred to as the "Net Issue") The Issue and the Net Issue will constitute 26.91 % and 25.55 % respectively of the Post Issue paid up Equity Share Capital of Our Company.
- 2. This Issue is being made for at least 25 % of the post- issue paid-up Equity Share capital of our Company, pursuant to Rule 19(2) (b) (i) of the Securities Contracts (Regulation) Rules, 1957 as amended. This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time.
- 3. The Net worth of our Company based on Restated Standalone Financial Statements as on January 31, 2018, March 31, 2017, March 31, 2016 and March 31, 2015 was Rs. 6345.09 lacs, Rs. 5212.41 lacs, Rs. 4263.20 lacs and Rs. 3805.52 lacs respectively. The Net worth of our Company based on Restated Consolidated Financial Statements as on January 31, 2018 & March 31, 2017 was Rs. 6345.12 & Rs. 5212.50 lacs respectively. For more information, see the section titled "Financial Information of the Company" beginning on page 189 of this Draft Red Herring Prospectus.
- 4. The NAV / Book Value per Equity Share of our Company based on Restated Standalone Financial Statements as on January 31, 2018, March 31, 2017, March 31, 2016 and March 31, 2015 was Rs. 148.74, Rs. 129.31, Rs. 114.27 and Rs. 102.00 per equity share respectively. The NAV / Book Value per Equity Share of our Company based on Restated Consolidated Financial Statements as on January 31, 2018 & March 31, 2017 was Rs. 148.74 & Rs. 129.31 per equity share respectively. For more information, see the section titled "Financial Information of the Company" beginning on page 189 of this Draft Red Herring Prospectus.
- 5. The average cost of acquisition of Equity Shares by our Promoters is set out below:

Sr. No.	Name of the Promoters	No. of Shares held	Average cost of Acquisition (in ₹)
1.	Mr. Shree Ballabh Fomra	758100	1.36
2.	Mrs. Raj Kumari Fomra	290500	1.43
3.	Mr. Shanti Prasad Fomra	1061200	1.43



4.	Mr. Madan Mohan Fomra	179690	8.66
5.	Mr. Vijay Kumar Fomra	239330	6.55
6.	Mr. Manish Kumar Fomra	406000	3.77
7.	Nikhita Chopra	227500	4.84
8.	S B Fomra (HUF)	115500	5.54
9.	M M Fomra (HUF)	507570	2.36
10.	V K Fomra (HUF)	540400	3.61
11.	MK Fomra (H U F)	400295	28.58
	Total	4726085	

- 6. The details of transactions of our Company with related parties, nature of transactions and the cumulative value of transactions please refer to section titled "Financial Information of the Company- Note 30 Restated standalone summary statement of related party transaction", on page 235 of Draft Red Herring Prospectus.
- 7. No Group companies have any business or other interest in our Company, except as stated in section titled "Financial Information of the Company Note 30 Restated standalone summary statement of related party transaction", "Capital Structure", "Our Group Companies" on pages 235, 70 and 177 respectively and to the extent of any Equity Shares held by them and to the extent of the benefits arising out of such shareholding.
- 8. Our Company was originally incorporated as "Cabcon India Pvt Ltd" on February 1, 1991 vide Registration Certificate No. 21-50809 of 1991 under the provisions of the Companies Act, 1956 with the Registrar of Companies, West Bengal Kolkata. Further, pursuant to Special Resolution passed by the shareholders at the Extra Ordinary General Meeting held on April 18, 2018, our company was converted into a Public Limited Company and consequently the name of our Company was changed form "Cabcon India Pvt Ltd" to "Cabcon India Limited" vide a fresh Certificate of Incorporation dated May 9, 2018 having CIN U31200WB1991PLC050809 issued by the Registrar of Companies, Kolkata, West Bengal.

For Further details, please refer to Section titled "History and Certain Corporate Matters" on page 151 of this Draft Red Herring Prospectus.

- 9. None of our Promoters, Promoter Group, Directors and their relatives has entered into any financing arrangement or financed the purchase of the Equity Shares of our Company by any other person during the period of six months immediately preceding the date of filing of Draft Red Herring Prospectus.
- 10. Our Company, Promoters, Directors, Promoter Group have not been prohibited from accessing the Capital Market under any order or direction passed by SEBI nor they have been declared as willful defaulters by RBI / Government authorities. Further, no violations of securities laws have been committed by them in the past or pending against them.
- 11. Investors are advised to see the paragraph titled "Basis for Issue Price" beginning on page 110 of this Draft Red Herring Prospectus.
- 12. The Book Running Lead Manager and our Company shall update this Draft Red Herring Prospectus and keep the investors / public informed of any material changes till listing of the Equity Shares offered in terms of this Draft Red Herring Prospectus and commencement of trading.
- 13. Investors are free to contact the Book Running Lead Manager i.e. Hem Securities Limited for any clarification, complaint or information pertaining to the Issue. The Book Running Lead Manager and our Company shall make all information available to the public and investors at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever.
- 14. In the event of over-subscription, allotment shall be made as set out in paragraph titled "*Basis of Allotment*" beginning on page 387 of this Draft Red Herring Prospectus and shall be made in consultation with the Designated Stock Exchange i.e. NSE. The Registrar to the Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner as set out therein.



- 15. The Directors / Promoters of our Company have no interest in our Company except to the extent of remuneration and reimbursement of expenses (if applicable) and to the extent of any Equity Shares of our Company 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 chapter titled "Our Management" beginning at page 156 and chapter titled "Our Promoter & Promoter Group" beginning at page 169 and chapter titled "Financial Information of the Company" beginning at page 189 of this Draft Red Herring Prospectus.
- 16. No loans and advances have been made to any person(s) / companies in which Directors are interested except as stated in the Auditors Report. For details, please see "*Financial Information of the Company*" beginning on page 189 of this Draft Red Herring Prospectus.
- 17. Trading in the Equity Shares for all investors shall be in dematerialized form only.
- 18. No part of the Issue proceeds will be paid as consideration to Promoters, Promoter Group, Directors or Key Managerial Personnel.

For information on the changes of the objects clause of the Memorandum of Association of our Company, please refer to the chapter titled "History and Certain Corporate Matters" beginning on page 151 of this Draft Red Herring Prospectus.



### INTRODUCTION

# **SUMMARY OF OUR INDUSTRY**

Global Economy: An Overview

The global economy is experiencing a cyclical recovery, reflecting a rebound in investment, manufacturing activity, and trade. This improvement comes against the backdrop of benign global financing conditions, generally accommodative policies, rising confidence, and firming commodity prices. Global GDP growth is estimated to have picked up from 2.4 percent in 2016 to 3 percent in 2017, above the June forecast of 2.7 percent. The upturn is broad based, with growth increasing in more than half of the world's economies. In particular, the rebound in global investment growth—which accounted for three quarters of the acceleration in global GDP growth from 2016 to 2017—was supported by favorable financing costs, rising profits, and improved business sentiment across both advanced economies and emerging market and developing economies (EMDEs). This synchronous, investment-led recovery is providing a substantial boost to global exports and imports in the near term.

In advanced economies, growth in 2017 is estimated to have rebounded to 2.3 percent, driven by a pickup in capital spending, a turnaround in inventories, and strengthening external demand. While growth accelerated in all major economies, the improvement was markedly stronger than expected in the Euro Area.

Growth among EMDEs is estimated to have accelerated to 4.3 percent in 2017, reflecting firming activity in commodity exporters and continued solid growth in commodity importers. Most EMDE regions benefited from a recovery in exports. The improvement in economic activity among commodity exporters took place as key economies—such as Brazil and the Russian Federation—emerged from recession, prices of most commodities rose, confidence improved, the drag from earlier policy tightening diminished, and investment growth bottomed out after a prolonged period of weakness. Nonetheless, the estimated pace of growth in commodity exporters in 2017, at 1.8 percent, was still subdued and not enough to improve average per capita incomes, which continued to stagnate after two consecutive years of contraction.

Global growth is projected to edge up to 3.1 percent in 2018, as the cyclical momentum continues, and then slightly moderate to an average of 3 percent in 2019-20. This broadly steady forecast masks marked differences between the outlook for advanced economies and EMDEs. Growth in advanced economies is projected to slow, as labor market slack diminishes and monetary policy accommodation is gradually unwound, moving closer to subdued potential growth rates, which remain constrained by aging populations and weak productivity trends.

Conversely, growth in EMDEs is expected to accelerate, reaching 4.5 percent in 2018 and an average of 4.7 percent in 2019-20. This mainly reflects a further pickup of growth in commodity exporters, which is forecast to rise to 2.7 percent in 2018 and to an average of 3.1 percent in 2019- 20, as oil and other commodity prices firm and the effects of the earlier commodity price collapse dissipate. Growth in commodity importers is projected to remain stable, averaging 5.7 percent in 2018-20, as a gradual slowdown in China is offset by a pickup in some other large economies. Within the broader group of EMDEs, growth in low-income countries is projected to rise to 5.4 percent in 2018 and to 5.6 percent on average in 2019-20, as conditions gradually improve in oil and metals-exporting economies.

Despite the projected firming of activity among EMDEs over the forecast horizon, their underlying potential growth—which has fallen considerably over the past decade—appears likely to further decline over the next 10 years, reflecting a more subdued pace of capital accumulation, slowing productivity growth, and less favorable demographic trends.

Although risks to the global outlook continue to be tilted to the downside, they are more balanced than in previous forecast exercises. This is mainly due to the possibility of stronger than-expected growth in the largest advanced economies and EMDEs—reflecting, for instance, a more pronounced investment-led recovery in the United States and the Euro Area, or a faster rebound in large commodity exporters. If these positive surprises were to materialize, they could have beneficial international spillovers.



(Source: <a href="https://openknowledge.worldbank.org/bitstream/handle/10986/28932/Global-Economic-Prospects-Jan-2018-Ch1.pdf">https://openknowledge.worldbank.org/bitstream/handle/10986/28932/Global-Economic-Prospects-Jan-2018-Ch1.pdf</a>)

### **Review of Indian Economy**

Economic growth is projected to strengthen to above 7%, gradually recovering from the transitory adverse impact of rolling out the Goods and Services Tax (GST) and measures to choke off the black economy, including demonetization. In the longer run, the GST will boost corporate investment, productivity and growth by creating a single market and reducing the cost of capital equipment. Investment will be further supported by the plan to recapitalize public banks and by the new road plan.

Recent measures to digitize the economy and improve tax compliance should boost tax revenue in the medium term. They are accompanied by an increase in public pensions and wages, as well as debt write-offs in some states, resulting in a broadly neutral fiscal stance over the projection period. Given the high public debt-to-GDP ratio, increasing social infrastructure, such as health and education, will require raising more property and income tax revenue. With inflation expectations adjusting down, there could be room for further cuts in interest rates if inflation durably remains below 4%.

Non-performing loans have increased, largely reflecting recognition efforts, and are particularly high in public banks. Steps have been taken to clean up banks' balance sheets, giving creditors more control over the stressed entities. A new bankruptcy law is also being implemented. The large recapitalization plan for public banks should be accompanied by governance reform. External debt remains low and foreign exchange reserves have increased, reducing vulnerabilities.

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

The fiscal deficit for the first eight months of 2017-18 reached 112 percent of the total for the year, far above the 89 percent norm (average of last 5 years), largely because of a shortfall in non-tax revenue, reflecting reduced dividends from government agencies and enterprises. Expenditure also progressed at a fast pace, reflecting the advancing of the budget cycle by a month which gave considerable leeway to the spending agencies to plan in advance and start implementation early in the financial year. Partially offsetting these trends will be disinvestment receipts which are likely to exceed budget targets.

GST revenue collections are surprisingly robust given that these are early days of such a disruptive change (See Box 7). Government measures to curb black money and encourage tax formalization, including demonetization and the GST, have increased personal income tax collections substantially (excluding the securities transactions tax). From about 2 percent of GDP between 2013-14 and 2015-16, they are likely to raise to 2.3 percent of GDP in 2017-18, a historic high. Precise estimates of the government's contribution to this improvement vary depending on the methodology used. An econometric exercise yields an estimate of Rs. 40,000 Crores over the two fiscal years of 2016-17 and 2017-18.

(Source: Economic Survey Report 2017-18, Ministry of Finance, Government of India)

### **Indian Power and Electrical Equipment Industry**

Power is a necessary fuel for a growing economy. The Indian economy is on a rising path targeting GDP growth rate of 8-9%. To achieve this growth, it is imperative that proper power infrastructure is in place.

India has the fifth-largest generation capacity in the world with an installed capacity of over 211 GW, as on 31st January, 2013 and is also the sixth largest electricity consumer, accounting for 3.4% of total global consumption. India's per capita consumption of electricity was 879 kWh in 2011-12.

The industrial sector, due to increasing capacity additions, has the highest demand for electricity across all sectors and is expected to remain high. The domestic and commercial sectors are likely to experience a steady increase in demand for electricity, but the share of agriculture is expected to see a decline in the coming years.



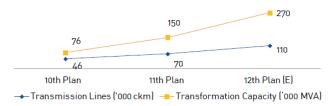
(Source:

http://dhi.nic.in/writereaddata/Content/Indian%20Electrical%20Equipment%20Industry%20Mission%20Plan%202012-2022.pdf)

### **Transmission & Distribution**

- Investment in new technology and modernization, like 1,200 kV transmission lines, +/-800 kVDC transmission, planning of smart grid projects and establishment of the national grid by the Power Grid Corporation of India are major steps towards efficient utilization of energy by evacuating electricity from power surplus regions to meet demand in power deficit regions.
- The transmission segment plays a key role in transmitting power to various distribution entities across India. The inter-regional capacity at the end of the 11th Plan was 28 GW. During the 12th Plan, total transmission substation capacity addition is expected to be 270,000 MVA, while 110,340 circuit kilometres (ckm) of transmission lines are expected to be added. With this, the inter-regional transmission line carrying capacity at the end of the 12th Plan is expected to increase to 66 GW.

#### **Transmission Additions**



#### (Source:

 $\frac{http://dhi.nic.in/writereaddata/Content/Indian\%20Electrical\%20Equipment\%20Industry\%20Mission\%20Plan\%2020}{12-2022.pdf)}$ 

The All-India installed power generation capacity has increased substantially over the years and reached 330860.6 MW as on 30th November, 2017. The peak deficit i.e. the percentage shortfall in peak power supply vis-à-vis peak hour demand, has declined from around 9 per cent in 2012-13 to 1.6 per cent during 2016-17, although slightly higher at 2 per cent during April-September 2017-18.

Despite these achievements in power generation capacity enhancement, the bottleneck continues in distribution of power supply, as discussed in the Economic Survey 2016-17 Vol II, Chapter 8. Programmes have been taken up to address improvement in performance of distribution companies so that the ambitious plan to provide electricity for all by 2019 can be achieved.

There were 18542 un-electrified census villages reported by the states as on 1st April 2015. As on 30th November 2017, electrification in 15183 villages has been completed and 1052 found to be uninhabited. The remaining 2217 villages are expected to be electrified by May 2018.

In order to enhance power supply in rural areas, Deen Dayal Upadhyaya Gram Jyoti Yojana was launched in December 2014 to extend financial assistance for capital expenditure by distribution companies (discoms) for strengthening and augmenting distribution infrastructure, including metering, in rural areas. The estimated outlay for the scheme is Rs 43033 crore. In addition, the approved outlay of Rs 39275 crore of erstwhile Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY) has been carried forward to this scheme. The scheme is being implemented by the States and their discoms with support from Central Government to the tune of 60 per cent in 'General Category' States and 85 per cent in 'Special Category' States.

A new scheme, Saubhagya (Pradhan Mantri Sahaj Bijli Har Ghar Yojana), was launched in September 2017 to ensure electrification of all remaining willing households in the country in rural and urban areas with an outlay of Rs 16320 crore. The scheme envisages electrification of around 4 crore households that do not have electricity connection by March 2019. For unelectrified households located in remote and inaccessible areas, solar photo voltaic based standalone systems with power packs of 200-300 Watt with battery backup are to be provided to allow



maximum of 5 LED Lights, one DC fan, one DC power plug along with repairment and maintenance for five years. The prospective beneficiary households would be identified using Socio Economic Caste Census (SECC) 2011.

Integrated Power Development Scheme was approved in November 2014 with a total outlay of Rs 32612 crore including budgetary support of Rs 25354 crore from Government of India. Upto end November 2017, projects worth Rs 26930 crore covering 3616 towns has already been sanctioned and state utilities are awarding the works.

Government has also approved establishment of a National Smart Grid Mission in power sector to plan and monitor implementation of programmes related to smart grid activities in India with a budget allocation of Rs 30 crores for 2017-18.

As discussed in detail in Economic Survey 2016-17, Vol II, the Government launched the Ujjawal DISCOM Assurance Yojana (UDAY) in November 2015 envisaging reduction in interest burden, cost of power and aggregated technical and commercial losses. 31 states/UTs have already come under UDAY. The primary focus has been on billing and collection efficiency of DISCOMS that has increased to 82 per cent by the first quarter of 2017-18. The states need to focus on reducing their technical and commercial losses (AT&C) through tariff revisions. However, the higher tariffs face potential threat from lower solar and wind prices. Latest estimates indicate solar energy price of Rs 2.5 per kwh and wind energy price of Rs 3.4 per kwh.

(Source: Economic Survey Report 2017-18, Ministry of Finance, Government of India)

### **Generation Demand Scenario**

### 1. Energy Resources in India

The natural resources for electricity generation in India are unevenly dispersed and concentrated in a few pockets. Hydro resources are located in the Himalayan foothills and in the north-eastern region (NER). Coal reserves are concentrated in Jharkhand, Orissa, West Bengal, Chhattisgarh, parts of Madhya Pradesh, whereas lignite is located in Tamil Nadu and Gujarat. North Eastern Region, Sikkim and Bhutan have vast untapped hydro potential estimated to be about 35000 MW in NER, about 8000 MW in Sikkim and about 15000 MW in Bhutan.

The distribution of energy resources and consumption centres are extremely unbalanced. The load centres are scattered at far-off places away from resource rich areas. Recent government initiatives for establishment of special economic zones have also given rise to new potential load centres. Projects are proposed to be located mostly at pit head/resource areas with each location having capacities in the range of 5,000-10,000 MW.

# 2. Growth of Installed Capacity

The power sector as a whole has shown significant progress in physical terms and to meet the ever-growing demand is leading way to more encouragement to private sector participation since 90's.

### 3. Feasible Capacity Addition during XI Plan and XII Plan

As against the 11th Plan(2007-2012) target of 78700 MW set by the Planning Commission, the CEA has, on the basis of preparedness of the projects, revised the feasible capacity addition target for the 11th Plan to 80010 MW as shown below-

Status	Central sector	State sector	Private sector	Total(MW)
Commissioned	3990	7094	1633	12717
Under Construction	29540	18269	19484	67293
Total	33530	25363	21117	80010



### **Demand**

Electricity sector in India is growing at rapid pace. The present Peak Demand is about 1,15,000 MW and the Installed Capacity is 1,52,380 MW with generation mix is thermal (63%), hydro (25%), Nuclear (9%) and renewables (9%). The projected Peak Demand in 2012 is about 150 GW and in 2017 is more than 200 GW. The corresponding Installed capacity requirement in 2012 is about 220 GW and in 2017 is more than 300 GW. The projected Peak Demand and the Installed Capacity Requirement in next 15 years as shown below-

### (Source:

 $\frac{http://npti.in/Download/Transmission/World\%20Energy\%20Council\%20Report\%20on\%20T\&D\%20in\%20India.pdf)$ 



### SUMMARY OF OUR BUSINESS

### Overview

We are an established ISO 9001-2015 certified Manufacturer, Supplier & Exporter of all types of Aluminum conductors, LT Power & Control and LT AB Cables in the field of Electrical Transmission & Distribution lines. We are currently engaged in the manufacturing and trading of AAC, ACSR, AAAC & all aluminium Conductors and all types of LT XLPE / PVC, LT AB Cables & power cables in India. In 2010, our company has also diversified its operations and established EPC division for execution of turnkey projects for installation of power distribution lines and sub-stations in the field of rural electricity infrastructure & rural household electrification in villages of various states of India under different prodrammes of the Government of India.

Our manufacturing facilities of our company are located at Kolkata and Howrah, West Bengal. We have developed infrastructure that helps our team to manage and carrying out business operations in a precise manner. High speed modern machines for manufacturing of Overhead Conductors and LT Power & Control Cables and LT AB Cables are installed in our manufacturing units. Our company set up its first Conductor unit in the year 1993 at Kolkata. Subsequently, Unit-II was set up in the year 2006 at Dhulagarh Industrial Park, Howrah, West Bengal to cater the growing demands of Conductors with an enhancement & modernization in production facility and adding the range of products for Conductors and LT Cables in all specified varieties. To carter the increasing demand the production capacity was further increased with modernization in production facility and adding the range of Products of Conductors and LT Cables in all specified varieties.

We are recognised as an established vendor for supply of Conductors & Cables with PGCIL, NTPC, NHPC, DVC, all State Electricity Boards, DISCOMs, Power Utility and almost all EPC contractors viz L&T, Bajaj, Kalpataru Power, Godrej, KEC International, etc. in our Country and other countries overseas. We have been awarded by Power Grid Corporation of India Ltd. as winner, under Category MSME Vendor – Conductors at Felicitations 2018 ceremony at New Delhi on May 25, 2018 for supply of Conductors.

We have successfully commissioned Rural Electrification Projects in the state of Meghalaya, West Bengal, Madhya Pradesh & Bihar (North & South) under different Flagship Programmes of Government of India.

Our revenue from operations (gross) was ₹41106.99 Lacs (net revenue from operations was ₹40792.13Lacs), ₹35241.39 Lacs (net revenue from operations was ₹31088.18 Lacs) in fiscals 2017, 2016 and 2015, respectively, in terms of our Restated Financial Statements. The profit after tax of our company as per the restated financial statements for the fiscal 2017, 2016 and 2015 is 649.22 lacs, 457.67 lacs and 383.75 lacs respectively. Over the last 3 years the revenue of our company from operations has grown at the pace of 14.44 %.

### **Certification & Rating:**

- ISO 9001:2015 for Management System Certified by BUREAU VERITAS of India Ltd
- Credit Rating of our Company has been upgraded to BBB (Triple B) by Brickwork rating.

### Awards & Recognition:

Our company has been awarded with "Certificate of Appreciation" by The Bihar State Power Holding Company Limited, in recognition of Excellence in Performance in Rural Electrification Projects of the Government. A special programme was organized on December 27, 2017 at Patna for this purpose wherein the "Prashasti Patra" was handed over to Mr Madan Mohan Fomra & Mr Vijay Kumar Fomra by Mr. Bijendra Prasad Yadav, the Honourable Power Minister, Government of Bihar & Mr. Nitish Kumar, the Honourable Chief Minister, Government of Bihar.

### **Our Products & Services**

The product portfolio of our company consists of three products namely overhead conductors, Electric cable and wire rods.



**1. Overhead Conductor**: - Overhead Conductor is used for transmission of electric power through large distance. The type of conductor includes:-

All Aluminum Conductor	All Aluminum Conductor is highly acclaimed among core customer for its high strength and optimum current carrying capacity. It is adopted by many clients for distribution and	
(AAC)	transmission lines.	
All Aluminium	These are made from high strength Aluminum Magnesium Silicon Alloy. The All	
Alloy Conductors	Aluminum Alloy Conductor are having lighter weight, high strength and high current	
(AAAC)	carry capacity, lower electrical losses and superior corrosion resistance.	
Aluminium	These are concentrically stranded conductor with one or more layer of hard drawn	
Conductors Steel	aluminum wire with galvanized steel core wire. The core wire may be single or stranded	
Reinforced	depending on the size of the conductors.	
(ACSR)		
Aluminium Alloy	It is a concentrically stranded conductor with one or more layers of hard drawn AL-MG-	
Conductors Steel	SI. Alloys stranded with high strength coated steel core. It is having approx 50% more	
Reinforced	strength in comparison to ACSR conductor.	
(AACSR)		

2. Electric Cable: - The Cables are used for transmission of electric power or for use in control units, there are various types of cables based on the type of insulation used namely viz, XLPE, PVC, which are widely used in India. We manufacture LT power & Control cables both of PVC and XLPE. Both copper and aluminum are used for manufacturing of cables depending upon the application and customer requirement. Our Electric Cable is fabricated with the combination of two or more wires that run side by side and get twisted, braided or bonded together to form a cable.

LT Power Cable	It consists of aluminum/Copper conductor with PVC/XLPE insulated, laid up inner	
	sheathed unarmored/armored PVC outer sheathed. LT Power Cable is designed to get	
	installed in different residential, commercial buildings, electrical installations and	
	communication panel system.	
LT Control Cable	It consists of Copper conductor with PVC/XLPE insulated, laid up inner sheathed	
	armoured/unarmoured and PVC outer sheathed. Normally it is either 1.5 Sq.mm or 2.5	
	Sq.mm and can be manufactured upto 61 core.	
Aerial Bunch	Aerial Bunch Cable (AB) is used for over head power distribution when compared to the	
Cable	conventional bare conductor in over head distribution system. AB Cable provides higher	
	safety and reliability, lower power losses and ultimate system economy by reducing	
	operative cost. XLPE insulated power conductors of aluminum are laid together twisted	
	around an aluminum alloy bare or insulated messenger wire to form AB Cables. The	
cables are directly strung on distribution poles by means of hardware.		
Concentric Cable	Concentric Cable also known as anti-robbery cable. This is constructed in such a way	
	that there is no use of claws and is surrounded by phase like a wire that does not permit	
	any contact with central phase. Therefore, this is used by distribution network operators	
	that links electrical network to any home and business.	

**3. Wire Rod**: - Wire Rod is fabricated to be used in industries like automobile, engineering, welding, machining, bearings, jewellery and cosmetics. This rod is defined as a hot rolled wire with different diameters that is manufactured on special wire mills or combination wire rod section mills, where it get wounded into coils.

Aluminium Flip	The Aluminium wire rod in diameter range 9.50 mm to 13mm are in flip coil forms of
Coil	1200-1500kg per coil weight in vertical & horizontal packing. The flip coils are used by
	the steel manufacturing plant for de-oxidising of molten steel as alloying element for
	manufacturing special steel.
Aluminium Wire	It is manufactured from aluminium EC Alloy and in diameter range of 7.60 mm to 13mm
Rod	in continuous casting used in manufacturing of conductor and cables in power
	transmission and distribution line.



Binding Wire	Binding Wire is used for supporting and tying in the garden, plant and for other
	construction work. Wire is manufactured with different features including plain, smooth
	and twisted shank. Therefore, it is used in places where hoisting, lifting and towing is
	required.

**EPC Projects:** Under the Engineering, Procurement and Construction (EPC) we are entrusted with the responsibility for all the activities from design, procurement, construction, to commissioning and handover of the project to the client. With the growing need for infrastructural development and the focus of the government EPC Project have become significant components of our turnover. We have set up a separate EPC Division exclusively to focus/ handle Trunkey Projects relating to development of Rural Electricity Infrastructure and Electrification under various schemes and yojanas of the Government launched from time to time such as the Rajiv Gandhi Gramin Vidyutikaran Yojana (RGGVY) & Backward Region Grants Fund (BRGF).

Below are the details of some of the projects which have been undertaken by our company under the EPC during the past years.

Sr.	Location	Project Description	Amount (in ₹ Lacs)
no.			
1.	Bankura District, West Bengal	Supply, erection and testing of distribution Substation and LT lines under BRGF Scheme	1632.54
2.	Dakshin Dinajpur, West Bengal	Supply, erection and testing of distribution Substation and LT lines under BRGF Scheme	1646.89
3.	Jalpaiguri, West Bengal	Supply, erection and testing of distribution Substation and LT lines under BRGF Scheme	837.03
4.	Coochbehar, Jalpaiguri, Uttar Dinajpur and Dakshin Dinajpur Dist, West Bengal	Supply, erection and testing of installations under Rural Electricity Infrastructure and Household Electrification.	3843.30
5.	East Garo Hills	Supply, erection and testing on village electrification including installation of 11 KV & LT lines, DTs including DT metering and service to BPL consumers under RGGVY scheme	3677.05
6.	West Garo Hills	Supply, erection and testing on village electrification including installation of 11 KV & LT lines, DTs including DT metering and service to BPL consumers under RGGVY scheme	3576.73

# **Projects under Execution**

At present, EPC contracts value (LOA value) worth Rs 1210.60 Crores are under progress and the said projects are expected to be completed during the year 2018 and 2019. Currently the following projects are in process in the Katihar, Araria, Purnia, Kishanganj, Nalanda, Nawada, Tura, Jaintia Hills, East Khasi Hills, Bhojpur, Gaya, Sitamari and Raiganj Districts in the states of Bihar, Meghalaya, Madhya Pradesh and West Bengal.

### **Our Competitive Strengths**

We believe that the following are our primary competitive strengths:

# 1. Quality Assurance

Delivering Quality products and making on time delivery is one of our prime objective. We dedicate resources for quality assurance to ensure that quality norms are continually met. We have in house equipments for testing of the product at each step of manufacturing process to ensure that our quality standards are met throughout the process. Further all our products matches up to the customer requirements which are very important for customer satisfaction. The final product manufactured has to undergo a quality check before it is finally packed and dispatch. We also have quality control checks before any consignment of Raw material is accepted since it has a direct impact



on the quality of Finished Product. Further, we also take all necessary steps for the maintenance of quality under the EPC projects undertaken by us.

### 2. Customer Satisfaction

Customer satisfaction is very important for the growth of any business. Our long-standing relationship with our major customers has been one of the most significant factors contributing to our growth. Our commitments to quality and customer service practices have been strong contributing factors to our robust customer relations. Over the years, we have steadily developed a robust base of customers. Due to our relationship with our customers we have continually received repeat business from many of our customers. This indicates their level of confidence in our ability to deliver our products and services. Because of the trust of our customers we have been able to attain orders from a diverse range of client base.

### 3. Wide range of Products

Our diverse range of cables and conductors is capable to withstand extreme conditions and is made available in different sizes and specifications for catering to the specific needs of our clients. We supply cables across various industries to various organizations of diverse sectors such as- Industrial, Exports, Turnkey projects, Power Distribution Companies; Infrastructure works etc. in India and abroad. We believe that maintaining a diverse portfolio in our business provides us with an opportunity to cater to diverse needs of different customer segment. Apart from the above we are also engaged in the rural electrification projects undertaken by the Government under various schemes for rural electrification.

### 4. Experienced management team and skilled workforce

Our management team has played a key role in developing our business and we benefit from their leadership and significant experience in Power and Infrastructure industry. Our experienced management and employees haves successfully expanded our business through proper customization under the guidance of our Promoters and thereby increasing our revenues. Our Promoter Directors, Mr. Madan Mohan Fomra, Mr. Vijay Kumar Fomra and Mr. Shree Ballabh Fomra, have vast experience in field of power and infrastructure sector and have in-depth knowledge of the industry in which we operate. Our Promoter Directors are actively involved in our operations and bring to our Company their vision and leadership which we believe has been instrumental in sustaining our business operations. Our Company feels that the strength of any successful organization lies in the experience and guidance of its team leaders and staff alike. We believe that the familiarity and knowledge we have, of the market and regulatory environment assists us in various aspects of our business.

# **Our Strategies**

# 1. Increasing focusing on our EPC business and enhancing execution efficiency.

Our primary focus is to strengthen our market position in India in developing and executing EPC projects in the electrification sector. Over the next few years, we will continue to focus on seeking opportunities to expand our EPC projects in the rural electrification sector. We intend to capitalize on our experience and project execution expertise and continue to selectively pursue EPC projects, both independently and in partnership with other players. We believe that, given the Government's focus on providing electricity to different parts of our country, the sector has high potential for growth and our experience and track record in this business provides us with a competitive advantage in pursuing future opportunities. We intend to continue to focus on efficient project execution by adopting industry best practices and advanced technologies to deliver quality projects to the satisfaction of our clients. We seek to attract and retain qualified personnel and skilled laborers and further strengthen our workforce and provide adequate and skilled manpower to our clients.

### 2. To Build-up a Professional Organization

We are committed towards building a professional organization. We believe in transparency, commitment and coordination in our work, with our suppliers, customers, government authorities, banks, financial institutions etc. we



believe that we have an appropriate mixture of the talent, experience and the sufficient staff for taking care of our day to day operations. We are also committed towards gaining knowledge of the new and improved technologies in order to keep pace with the changes taking place in the market.

# 3. Optimal Utilization of Resources

Our Company constantly endeavours to improve our process, skill up-gradation of our employees, modernization of infrastructure, equipments and methods of processing. We regularly analyze our existing process and to identify the areas of bottlenecks and correct the same in a timely manner. By taking the timely corrective action we can make optimal utilization of our resources and which will also help us in improving our products & services so as to reap the optimum satisfaction of our clients.

### 4. Long Term Relationship with Clients

Customer satisfaction and Strong long term relationship with the client is key to success for any organization. Our on time delivery and quality product helps us maintain strong relationship with our customers and also gives us competitive against our peers.

### **Our Presence**

Registered Office	4A, Pollock Street, Kolkata West Bengal 700001
<b>Corporate Office</b> 1 <sup>st</sup> floor, Terminus Building BG-12, Action Area 1-B, New town, Rajarhat Kolkata 7001.	
	West Bengal
Factory Unit I 93, Dakhindari Road, Kolkata – 700048 West Bengal	
Factory Unit II	Dhulagarh Industrial Park, PO Kandauh, Dist - Howrah, West Bengal

Apart from the above we have project office located at Patna, Sitamarhi, Katihar, Araria, Bhojpur, Nalanda, Aurangabad, Arwal, Jehanabad, Tura, Shillong, Jowai, Jabalpur, Katni, Raiganj & Hooghly



# **SUMMARY OF FINANCIAL INFORMATION**

The following tables set forth the summary financial information derived from:

- (a) The consolidated Restated Financial Statements for the ten months ended January 31, 2018 and for the year ended March 31, 2017; and
- (b) The standalone Restated Financial Statements for the ten months ended January 31, 2018 and for the years ended March 31, 2017, 2016, 2015, 2014 and 2013.

The Restated Financial Statements referred to above are presented under "Financial Statements" beginning on page 189. The summary financial information presented below should be read in conjunction with the Restated Financial Statements, the notes thereto and "Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 189 and 295, respectively.



# ANNEXURE - I RESTATED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

(Amount in Lakhs)

Doutionlong	As At		
Particulars	January 31, 2018	March 31, 2017	
I. EQUITY AND LIABILITIES		·	
(4) (7)			
(1) Shareholders' Funds	12 5 70	102.00	
(a) Share Capital	426.59	403.09	
(b) Reserves and Surplus (excluding Revaluation	5918.53	4809.41	
Reserves, if any)			
(c) Money received against share warrants	0.00	0.00	
(2) Share Application Money Pending Allotment	0.00	0.00	
(3) Non Current Liabilities	420.20		
(a) Long-term Borrowings	430.29	939.55	
(b) Deferred tax Liabilities (Net)	34.56	6.71	
(c) Other Long Term Liabilities			
(d) Long-term Provisions	29.82	22.39	
(4) Current Liabilities			
(a) Short-term Borrowings	11219.06	9729.69	
(b) Trade Payables			
(A) total outstanding dues of micro enterprises and small			
enterprises; and			
(B) total outstanding dues of creditors other than micro	17427.09	13028.19	
enterprises and small enterprises.	17427.07	13020.17	
(c) Other Current Liabilities	3090.33	1691.68	
(d) Short-term Provisions	120.53	51.95	
Total	38696.79	30682.67	
II. ASSETS			
(1) Non Current Assets			
(a) Fixed Assets			
(a) Tangible Assets	1956.61	1428.75	
(b) Intangible Assets	2.57	3.33	
(c) Capital Work-In-Progress	0.00	508.49	
(c) Non Current Investments	226.01	0.01	
(d) Deferred Tax Assets (Net)	220.01	0.01	
(e) Long-term Loans and Advances	161.90	128.98	
(f) Other Non Current Assets	101.90	120.70	
(2) Current Assets			
	0.00	0.00	
(a) Current Investments (b) Inventories	7639.31		
( )		5153.32	
(c) Trade Receivables	22515.95	17693.91	
(d) Cash and Cash Equivalents	4399.57	4059.39	
(e) Short-term Loans and Advances	1795.36	1701.19	
(f) Other Current Assets	(0.50)	5.30	
Total	38696.79	30682.67	

Note-: The above statement should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexures IV, II and III.



# ANNEXURE - II RESTATED CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(Amount in Lakhs)

		For the Ten Months	For the Year
	Particulars	Period Ended	ended
		January 31, 2018	March 31, 2017
I	Revenue from Operations	42150.53	40792.13
II	Other Incomes	251.44	316.06
III	Total Income (I+II)	42401.97	41108.19
IV	Expenses:		
	Cost of Material Consumed	36663.21	32820.28
	Manufacturing & Other Operational Expenses	1714.74	2278.63
	Changes in Inventories of finished goods, Stock-in- Trade and work-in-progress	(1679.94)	195.65
	Employee Benefits Expenses	998.63	674.39
	Finance Costs	2580.15	2539.47
	Depreciation And Amortization Expense	177.73	194.18
	Other Expenses	660.60	1325.77
	Total Expenses (IV)	41115.13	40028.37
V	Profit/(loss) before exceptional items and tax (I-IV)	1286.83	1079.82
VI	Exceptional Items	(44.77)	109.68
VII	Profit/(loss) before tax (V-VI)	1331.61	970.14
VIII	Tax Expense		
	(1) Current Tax	404.80	325.97
	(2) Interest on IT Earlier Year	1.37	2.84
	(3) Deferred Tax Liability/(Assets)	27.85	(8.02)
	(4) MAT Credit (Entitlement)/Set-Off	(0.03)	(0.03)
IX	Restated Profit/(loss) after tax for the period from continuing operations (VII-VIII)	897.61	649.38
X	Profit/ (Loss) from Discontinuing operation	0.00	0.00
XI	Tax expenses of discontinuing operations	0.00	0.00
XII	Profit/(loss) from Discontinued operations (after tax) (X-XI)		
XIII	Restated profit/(loss) for the period	897.61	649.38

Note: The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, and cash flows appearing in Annexures IV, I and III.



# ANNEXURE - III RESTATED CONSOLIDATED CASH FLOW STATEMENT

(Amount in Lakhs)

		(Amount in Lakhs)
Particulars	For the Ten Months period Ended	For the Year ended
	January 31, 2018	March 31, 2017
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	1331.61	970.14
Adjustment for:		
Interest on Fixed Deposit	204.90	233.98
Loss on Sale of Fixed Assets	(1.93)	(14.76)
Provision for TDS Defaults	0.55	0.88
Depreciation	177.73	194.18
Provision of Gratuity	8.04	6.31
Interest & Finance Charges	2580.15	2539.47
Operating profit before working capital changes	4301.05	3930.20
Adjustments for :		5750120
(Increase)/Decrease in Inventories	(2485.99)	927.94
(Increase)/Decrease in Trade Receivables	(4822.04)	(4760.19)
(Increase)/Decrease in Short Term loans and advances	(95.37)	(354.10)
(Increase)/Decrease in Other Current Assets	5.69	(0.55)
Increase/(Decrease) in Trade Payables	4398.89	4464.44
Increase/(Decrease) in Short Term Borrowings	1175.23	(17.71)
Increase/(Decrease) in Other Current Liabilities	1398.66	88.02
Increase/(Decrease) in Short Term Provisions	0.00	0.00
Cash generated from / (used in) operations	3876.12	4278.05
Income Tax Paid/(refund)	338.75	338.84
Net cash generated from/(used in) operating activities - (A)	3537.37	3939.21
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(713.89)	(94.01)
Increase in Capital Work-in-Progress	508.49	(198.45)
Sale of Fixed Assets	10.98	20.31
Interest Income on Fixed Deposit	(204.90)	(233.98)
(Investment)/Realization in/from FDR	(255.90)	(1303.03)
Purchase of Investments	(226.00)	0.00
(Increase)/Decrease in Long Term Loans and Advances	(31.59)	(27.82)
Net cash (used in) Investing Activities - (B)	(912.80)	(1836.98)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issue of Share Capital	23.50	30.00
Proceeds from Security Premium	211.50	270.00
Proceeds from Share Application Money Pending Allotment	0.00	0.00
Repayment of Long Term Borrowings	(195.13)	227.54
Interest & Finance Charges	(2580.15)	(2539.47)
Net cash(used in) / from financing activities - (C)	(2540.29)	(2011.93)
100 cm/(more m) / 12 cm minering activities (C)	(2010)	(2011.70)
Net Increase/(decrease) in Cash & Cash Equivalents (A+B+C)	84.28	90.30
Cash and cash equivalents at the beginning of the year	4.74	(85.57)
Cash and cash equivalents at the end of the year	89.02	4.74
Cash and cash equivalents at the end of year comprises:		
· · · · · · · · · · · · · · · · · · ·		



1. Components of cash and cash equivalents:		
Particulars	January 31, 2018	March 31, 2017
Cash on hand	39.14	23.11
Balances with scheduled banks:		
In current accounts	49.88	(18.38)
Total Cash and cash equivalents	89.02	4.74

# Notes:-

- 1. The Cash Flow Statement has been prepared under indirect method as set out in Accounting Standard -3 on Cash Flow Statement, specified under the Companies Act, 1956 (which are deemed to be applicable as Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of Companies (Accounts) Rules, 2014).
- 2. Figures in Brackets represents outflow.
- 3. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses as appearing in Annexures IV, I and II.



# ANNEXURE - I RESTATED STANDALONE STATEMENT OF ASSETS AND LIABILITIES

(Amount in Lakhs)

	As At					
Particulars	January 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
I. EQUITY AND LIABILITIES	,			ĺ	Ź	Í
(1) Shareholders' Funds						
(a) Share Capital	426.59	403.09	373.09	373.09	348.09	263.96
(b) Reserves and Surplus (excluding Revaluation	5019 51	4900.22	2900 11	3432.44	2927 19	1952.01
Reserves, if any)	5918.51	4809.32	3890.11	3432.44	2827.18	1852.91
(c) Money received against share warrants						
(2) Share Application Money Pending	0.00	0.00	0.00	0.00	0.00	673.00
Allotment	0.00	0.00	0.00	0.00	0.00	073.00
(3) Non Current Liabilities						
(a) Long-term Borrowings	430.29	939.55	718.30	1397.62	1457.34	821.29
(b) Deferred tax Liabilities (Net)	34.56	6.71	14.73	28.02	26.86	19.20
(c) Other Long Term Liabilities						
(d) Long-term Provisions	29.82	22.39	16.63	12.86	8.39	5.67
(4) Current Liabilities						
(a) Short-term Borrowings	11219.06	9729.69	9741.11	8361.85	6508.71	5404.99
(b) Trade Payables						
(A) total outstanding dues of micro enterprises and						
small enterprises; and						
(B) total outstanding dues of creditors other than	17427.00	12020 10	0572.75	(70/ 47	516651	4405.61
micro enterprises and small enterprises.	17427.09	13028.19	8563.75	6786.47	5166.51	4425.61
(c) Other Current Liabilities	3090.08	1691.53	1603.54	1837.15	1370.98	1518.46
(d) Short-term Provisions	118.40	50.14	59.16	30.97	32.12	1.74
Total	38694.39	30680.62	24980.42	22260.47	17746.18	14986.84
II. ASSETS						
(1) Non Current Assets						
(a) Fixed Assets						
(a) Tangible Assets	1956.61	1428.75	1533.56	1129.51	811.08	586.27
(b) Intangible Assets	2.34	3.10	4.00	1.63	3.25	4.88
(c) Capital Work-In-Progress	0.00	508.49	310.04	513.51	508.39	389.58
(c) Non Current Investments	445.01	219.01	219.01	70.00	0.00	0.00
(d) Deferred Tax Assets (Net)						
(e) Long-term Loans and Advances	157.42	125.78	97.97	99.12	48.60	54.44
(f) Other Non Current Assets						
(2) Current Assets						
(a) Current Investments	0.00	0.00	0.00	0.00	0.00	0.00
(b) Inventories	7415.11	4929.12	5857.07	6426.13	4303.82	3295.15
(c) Trade Receivables	22515.95	17693.91	12933.72	10423.09	9864.84	8402.43
(d) Cash and Cash Equivalents	4395.49	4058.09	2664.15	2139.38	1537.95	1409.69
(e) Short-term Loans and Advances	1807.56	1712.19	1358.09	1460.16	667.75	844.40
(f) Other Current Assets	(1.10)	2.18	2.83	(2.06)	0.51	0.00
Total	38694.39	30680.62	24980.42	22260.47	17746.18	14986.84

Note-: The above statement should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexures IV, II and III



# ANNEXURE - II RESTATED STANDALONE STATEMENT OF PROFIT AND LOSS

(Amount in Lakhs)

	Particulars	For the Ten Months Period Ended	For the Year ended				
		January 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
I	Revenue from Operations	42150.53	40792.13	34821.89	31088.18	28766.92	20840.39
II	Other Incomes	250.84	314.86	419.51	300.81	317.47	234.49
III	Total Income (I+II)	42401.37	41106.99	35241.39	31388.99	29084.39	21074.88
IV	Expenses:						
	Cost of Material Consumed	36663.21	32820.28	28105.00	27939.08	24466.75	17533.80
	Manufacturing & Other Operational Expenses	1714.74	2278.63	2465.53	1997.46	1778.03	1458.96
	Changes in Inventories of finished goods, Stock-in- Trade and work-in-progress	(1679.94)	195.65	(186.81)	(2007.47)	14.58	(129.96)
	Employee Benefits Expenses	998.63	674.39	479.02	271.14	252.41	179.49
	Finance Costs	2580.15	2539.46	2685.29	2093.09	1608.78	1268.74
	Depreciation And Amortization Expense	177.73	194.18	210.14	147.95	92.62	80.98
	Other Expenses	659.95	1324.88	594.18	414.64	297.67	289.47
	Total Expenses (IV)	41114.48	40027.48	34352.36	30855.90	28510.84	20681.48
V	Profit/(loss) before exceptional items and tax (I-IV)	1286.89	1079.51	889.03	533.09	573.55	393.39
VI	Exceptional Items	(44.77)	109.68	178.22	(71.19)	(0.22)	0.36
VII	Profit/(loss) before tax	1331.66	969.83	710.80	604.29	573.77	393.03
VIII	Tax Expense						
	(1) Current Tax	404.76	325.79	265.91	218.37	180.70	128.26
	(2) Interest on IT Earlier Year	1.37	2.84	0.51	1.01	0.01	2.28
	(3) Deferred Tax Liability/(Assets)	27.85	(8.02)	(13.28)	1.16	7.66	(0.23)
	(4) MAT Credit (Entitlement)/Set-Off	0.00	0.00	0.00	0.00	0.00	0.00
IX	Restated Profit/(loss) after tax for the period from continuing operations	897.68	649.22	457.67	383.75	385.39	262.73
X	Profit/ (Loss) from Discontinuing operation	0.00	0.00	0.00	0.00	0.00	0.00
XI	Tax expenses of discontinuing operations	0.00	0.00	0.00	0.00	0.00	0.00
XII	Profit/(loss) from Discontinued operations (after tax) (X-XI)						
XIII	Restated profit/(loss) for the period	897.68	649.22	457.67	383.75	385.39	262.73

Note: The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, and cash flows appearing in Annexures IV, I and III.



# ANNEXURE - III RESTATED STANDALONE CASH FLOW STATEMENT

(Amount in Lakhs)

	E 41 T				(Amount in L	akiis)
	For the Ten Months	For the Year ended				
Particulars	Ended		ror	the Tear en	ueu	
1 at uculats	January 31,	March	March	March	March	March
	2018	31, 2017	31, 2016	31, 2015	31, 2014	31, 2013
CASH FLOW FROM OPERATING ACTIV		01, 2017	21, 2010	01, 2010	31, 2014	31, 2013
Net Profit Before Tax	1331.66	969.83	710.80	604.29	573.77	393.03
Adjustment for:						
Interest on Fixed Deposit	204.90	233.98	209.70	153.43	129.04	112.75
Loss on Sale of Fixed Assets	(1.93)	(14.76)	(3.45)	(12.79)	0.00	0.36
Provision for TDS Defaults	0.28	0.44	0.01	0.03	28.85	0.00
Depreciation	177.73	194.18	210.14	147.95	92.62	80.98
Provision of Gratuity	8.04	6.31	6.67	5.61	3.11	1.31
Interest & Finance Charges	2580.15	2539.46	2685.29	2093.09	1608.78	1268.74
Operating profit before working capital	4300.83	3929.44	3819.17	2991.61	2436.18	1857.17
changes	4300.03	3727.44	3017.17	2771.01	2430.10	1037.17
Adjustments for :						
(Increase)/Decrease in Inventories	(2485.99)	927.94	569.06	(2122.31)	(1008.67)	(2268.87)
(Increase)/Decrease in Trade Receivables	(4822.04)	(4760.19)	(2510.63)	(558.25)	(1462.41)	(951.79)
(Increase)/Decrease in Short Term loans and	(95.37)	(354.10)	96.69	(787.19)	176.82	50.59
advances	, ,	, ,		,	-, -, -	
(Increase)/Decrease in Other Current Assets	3.27	0.65	(4.89)	2.57	(0.51)	6.51
Increase/(Decrease) in Trade Payables	4398.89	4464.44	1777.27	1619.96	740.90	808.98
Increase/(Decrease) in Short Term	1175.23	(17.71)	1145.13	1712.76	838.23	1454.89
Borrowings		, , ,				
Increase/(Decrease) in Other Current	1398.56	87.99	(233.61)	466.17	(147.48)	(337.38)
Liabilities	0.00	0.00	, ,	0.00	0.00	, ,
Increase/(Decrease) in Short Term Provisions	0.00	0.00	0.00	0.00	0.00	(139.73)
Cash generated from / (used in) operations Income Tax Paid/(refund)	<b>3873.38</b> 338.75	<b>4278.46</b> 338.65	<b>4658.21</b> 235.76	<b>3325.30</b> 226.92	<b>1573.07</b> 179.74	<b>480.35</b> 151.41
Net cash generated from/(used in)	336.73	336.03	233.70	220.92	1/9./4	131.41
operating activities - (A)	3534.63	3939.80	4422.45	3098.38	1393.33	328.95
operating activities - (A)						
CASH FLOW FROM INVESTING ACTIV	TIES				ı	
Purchase of Fixed Assets	(713.89)	(94.01)	(626.19)	(499.26)	(315.80)	(148.75)
Increase in Capital Work-in-Progress	508.49	(198.45)	203.47	(5.12)	(118.81)	(98.90)
Sale of Fixed Assets	10.98	20.31	13.08	43.80	0.00	0.98
Interest Income on Fixed Deposit	(204.90)	(233.98)	(209.70)	(153.43)	(129.04)	(112.75)
(Investment)/Realization in/from FDR	(255.90)	(1303.03)	(730.65)	(483.61)	(211.02)	(13.17)
Purchase of Investments	(226.00)	0.00	(149.01)	(70.00)	0.00	0.00
(Increase)/Decrease in Long Term Loans and	` ′		, ,			
Advances	(31.63)	(27.82)	1.16	(50.52)	5.84	(31.95)
Net cash (used in) Investing Activities - (B)	(912.85)	(1836.98)	(1497.85)	(1218.13)	(768.83)	(404.53)
CASH FLOW FROM FINANCING ACTIV						
Proceeds from Issue of Share Capital	23.50	30.00	0.00	25.00	84.13	0.00
Proceeds from Security Premium	211.50	270.00	0.00	225.00	588.88	0.00
Proceeds from Share Application Money	0.00	0.00	0.00	0.00	(673.00)	673.00
Pending Allotment	0.00	0.00	0.00	0.00	(073.00)	075.00



Repayment of Long Term Borrowings	(195.13)	227.54	(445.18)	80.66	901.53	624.53
Interest & Finance Charges	(2580.15)	(2539.46)	(2685.29)	(2093.09)	(1608.78)	(1268.74)
Net cash(used in) / from financing activities - (C)	(2540.28)	(2011.92)	(3130.47)	(1762.43)	(707.25)	28.79
Net Increase/(decrease) in Cash & Cash Equivalents (A+B+C)	81.50	90.90	(205.88)	117.82	(82.76)	(46.79)
Cash and cash equivalents at the beginning of the year	3.44	(87.47)	118.41	0.59	83.35	130.14
Cash and cash equivalents at the end of the year	84.94	3.44	(87.47)	118.41	0.59	83.35
Cash and cash equivalents at the end of year comprises:						
1. Components of cash and cash equivalents:						
Particulars	January 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Cash on hand	38.24	21.93	25.22	21.58	21.97	12.86
Balances with scheduled banks:						
In current accounts	46.70	(18.50)	(112.69)	96.83	(21.38)	70.49
Total Cash and cash equivalents	84.94	3.44	(87.47)	118.41	0.59	83.35

# Notes:-

- 2. Figures in Brackets represents outflow.
- 5. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses as appearing in Annexures IV, I and II.

<sup>1.</sup> The Cash Flow Statement has been prepared under indirect method as set out in Accounting Standard -3 on Cash Flow Statement, specified under the Companies Act, 1956 (which are deemed to be applicable as Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of Companies (Accounts) Rules, 2014).



# THE ISSUE

PRESENT ISSUE IN TERMS OF THIS DRAFT	PRESENT ISSUE IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS					
Issue <sup>(1)</sup> : Present Issue of Equity Shares by our Company <sup>(2)</sup>	54,96,000 Equity Shares of ₹ 10/- each for cash at a price of [•] per share aggregating to Rs. [•] Lakhs.					
Of which:						
Issue Reserved for the Market Maker	2,76,000 Equity Shares of ₹ 10/- each for cash at a price of Rs. [•] per share aggregating to Rs. [•] Lakhs.					
Net Issue to the Public <sup>(3)</sup>	52,20,000 Equity Shares of ₹ 10/- each for cash at a price of Rs. [•] per share aggregating to Rs. [•] Lakhs.					
Of which:						
QIB Portion	Not more than ● [ Equity shares shall be available for allocation to QIB					
Of which						
Anchor Investor Portion	Not more than [•] Equity Shares of Face Value of Rs. 10/-each					
Balance available for allocation to QIBs other than Anchor Investors (assuming Anchor Investor Portion is fully subscribed)	[•] Equity Shares of Face Value of Rs. 10/- each					
Of which						
Available for allocation to Mutual Funds only (5% of the QIB portion excluding Anchor Investor Portion)	[•] Equity Shares of Face Value of Rs. 10/- each					
Balance of all QIBs including Mutual Funds	[•] Equity Shares of Face Value of Rs. 10/- each					
Non-Institutional Portion	Not less than [ ] Equity Shares of face value of Rs. 10/-each fully paid of the Company for cash at price of [ ]/- per Equity Share aggregating Rs. [ ] lakhs will be available for allocation to Investors applying with application value of above Rs. 2.00 Lakhs					
Retail Portion	Not less than [ ] Equity Shares of face v alue of Rs. 10/-each fully paid of the Company at a cash price of Rs. [ ] - per Equity share aggregating Rs. [ ] Lakhs will be available for allocation to Investors applying with application value of up to Rs. 2.00 Lakhs					
Pre and Post – Issue Equity Shares						
<b>Equity Shares outstanding prior to the Issue</b>	149,30,545 Equity Shares of face value of ₹ 10 each					
<b>Equity Shares outstanding after the Issue</b>	204,26,545 Equity Shares of face value of ₹10 each					
Use of Net Proceeds by our Company	Please see the chapter titled " <i>Objects of the Issue</i> " on page 104 of this Draft Red Herring Prospectus					

<sup>&</sup>lt;sup>(1)</sup>This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. For further details please refer to "*Issue Structure*" on page 345 of this Draft Red Herring Prospectus.

<sup>&</sup>lt;sup>(2)</sup>The present Issue has been authorized pursuant to a resolution of our Board dated May 24, 2018 and by Special Resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extra Ordinary General Meeting of our shareholders held on May 26, 2018.

<sup>&</sup>lt;sup>(3)</sup>Our Company may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the



Net QIB Portion. In case of non-Allotment in the Anchor Investor Portion, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than [•] Equity Shares, the balance Equity Shares available for allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, see "Issue Procedure" beginning on page 351 of the Draft Red Herring Prospectus.

Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange.

For further details regarding the Issue Structure and Procedure, kindly refer to the chapters titled Issue Structure and Issue Procedure beginning on pages 345 and 351, respectively of this Draft Red Herring Prospectus.



# **GENERAL INFORMATION**

Our Company was originally incorporated as "Cabcon India Pvt Ltd" on February 1, 1991 vide Registration Certificate No. 21-50809 of 1991 under the provisions of the Companies Act, 1956 with the Registrar of Companies, West Bengal, Kolkata. Further, pursuant to Special Resolution passed by the shareholders at the Extra Ordinary General Meeting held on April 18, 2018, our company was converted into a Public Limited Company and consequently the name of our Company was changed form "Cabcon India Pvt Ltd" to "Cabcon India Limited" vide a fresh Certificate of Incorporation dated May 9, 2018 having CIN U31200WB1991PLC050809 issued by the Registrar of Companies, Kolkata, West Bengal.

Mr. Shree Ballabh Fomra and Mr. Madan Mohan Fomra were the initial subscribers to the Memorandum of Association of our Company.

For further details please refer to chapter titled "History and Certain Corporate Matters" beginning on page 151 of this Draft Red Herring Prospectus.

# **Brief Company and Issue Information**

	44 D H 1 C
	4A, Pollock Street, Kolkata,
Registered Office	West Bengal, India, 700001
	Tel. No. +91-33- 22355657
register ou office	Fax: 033-40365001
	E-mail: info@cabconindia.com
	Website:www.cabconindia.com
	1st Floor, Terminus Building BG-12, Action Area,
Corporate Office	1-B, New Town, Rajarhat Kolkata 700156, West Bengal.
Corporate Office	Tel. No. +91-33-40365000
	Fax: 033-40365001
	Unit – I - 93, Dakhindari Road, Kolkata-700048, West Bengal, India
<b>Factory Unit</b>	Unit – II - Sankrail Industrial Park, Nh-6 Bombay Road, Po-Kanduah, Dhulagarh,
•	Howrah-711302, West Bengal, India
Date of Incorporation	February 1, 1991
Corporate Registration No.	050809
<b>Corporate Identification No.</b>	U31200WB1991PLC050809
<b>Company Category</b>	Company Limited by Shares
Company Sub-category	Indian Non Government Company
	Nizam Palace, 2nd MSO Building
	2nd Floor, 234/4, A.J.C.B. Road
	Kolkata, India - 700020
Address of Registrar of	Phone: 033-2287 7390
Companies	Fax: 033-22903795
	Email: roc.kolkata@mca.gov.in
	Website: http://www.mca.gov.in
Designated Stock Exchange	National Stock Exchange of India Limited
	Bid/Issue Opens on : [●]
Bid/Issue Programme	Bid/Issue Closes on: [•]
	Mr. Narendra Purohit
	Cabcon India Limited
	1 <sup>st</sup> floor, Terminus Building BG-12, Action area,
	1-B, New town, Rajarhat
Company Secretary &	Kolkata 700156 West Bengal
Compliance Officer	Tel. No. +91-33-40365000
	Fax: 033-40365001
	E-mail: narendrapurohit@cabconindia.com
	Website: www.cabconindia.com
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	Ms. Nikhita Chopra
	Cabcon India Limited
	1 <sup>st</sup> floor, Terminus Building BG-12, Action area,
Chief Financial Officer	1-B, New town, Rajarhat
Chief Financial Officer	Kolkata 700156 West Bengal
	Tel. No. +91-33-40365000
	Fax: 033-40365001
	Website: www.cabconindia.com
	Mr. Manish Kumar Fomra
	Cabcon India Limited
	1 <sup>st</sup> floor, Terminus Building BG-12, Action area,
Chief E-ve entire Officer	1-B, New town, Rajarhat
Chief Executive Officer	Kolkata 700156 West Bengal
	Tel. No. +91-33-40365000
	Fax: 033-40365001
	Website: www.cabconindia.com

Bidders can contact the Company Secretary and Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems, such as non receipt of letters of Allotment, non credit of Allotted Equity Shares in the respective beneficiary account, non receipt of refund orders and non receipt of funds by electronic mode.

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

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

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

For all issue related queries, and for redressal of complaints, bidder may also write to the BRLM. All complaints, queries or comments received by Stock Exchange shall be forwarded to the BRLM, who shall respond to the same.

### **Board of Directors of our Company**

The Board of Directors of our Company consists of:

Name	Designation	Address	DIN	
Mr. Shree Ballabh Fomra	Chairman and Non	FE 515,Salt Lake City, Kolkata, West	00633436	
Wil. Siliee Ballaoli Folilia	Executive Director	Bengal India, 700091	00033430	
Mr. Madan Mohan Fomra	Managing Director	FE 515,Salt Lake City, Kolkata, West	00633292	
Wir. Madaii Mollali Polilia	Wanaging Director	Bengal, India, 700091	00033292	
Mr. Vijay Kumar Fomra	Whole Time Director	FE 515,Salt Lake City, Sector III, Kolkata, West Bengal, India, 700106	00633315	



Mrs. Manita Mittal	Independent Director	127, BK Paul Avenue, 4 <sup>th</sup> Floor, Hatkhole, Kolkata 700005, West Bengal	08141151
Mr. Sekhar Kumar Halder	Independent Director	28/1/1, Salimpur Road, Post Dhakuria, Kolkata – 7000031, West Bengal	08141154

For further details of the Directors of our Company, please refer to the chapter titled "Our Management" on page 156 of this Draft Red Herring Prospectus.

**Details of Key Intermediaries pertaining to this Issue and Our Company:** 

BOOK RUNNING LEAD MANAGER	LEGAL ADVISOR TO THE ISSUE			
HEM SECURITIES LIMITED	SINGHI & SINGHI			
Address: 904, A Wing, Naman Midtown,	LAW CHAMBERS			
Senapati Bapat Marg, Elphinstone Road,	17, Vivek Vihar, Near Vidyashram School			
Lower Parel, Mumbai-400013, India	JLN Marg, Jaipur – 302015 Rajasthan, India			
Tel No.:+91-22-4906 0000	Tel: +91- 141 -2709555			
Fax No.:+91-22-22625991	Email: anuroopsinghi@yahoo.com			
Email: <u>ib@hemsecurities.com</u>	Contact Person: Anuroop Singhi			
Investor Grievance Email: <a href="mailto:redressal@hemsecurities.com">redressal@hemsecurities.com</a>				
Website: <u>www.hemsecurities.com</u>				
Contact Person: Mr. Anil Bhargava				
SEBI Regn. No.: INM000010981				
REGISTRAR TO THE ISSUE	BANKERS TO THE COMPANY			
BIGSHARE SERVICES PRIVATE LIMITED				
1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis,	[•]			
Makwana Road, Marol, Andheri (East),				
Mumbai – 400059, Maharashtra, India.				
Tel: +91 22 62638200, Fax: +91 22 62638299				
Email: ipo@bigshareonline.com				
Website: www.bigshareonline.com				
Investor Grievance Id: <u>investor@bigshareonline.com</u>				
Contact Person: Srinivas Dornala				
SEBI Registration Number: INR000001385				
STATUTORY AUDITORS	PEER REVIEW AUDITORS			
SRB & ASSOCIATES,	M/s MANSAKA RAVI & ASSOCIATES			
CHARTERED ACCOUNTANTS	CHARTERED ACCOUNTANTS			
Address: A-3/7 Gillanders House, 8, N.S. Road,	34, Fourth Floor, Triniti mall, Swage Farm,			
Kolkata – 700001, West Bengal	New Sanganer Road, Sodala,			
Phone: +91-33-40047263, 32930975	Jaipur-302019, Rajasthan, India			
Email: sunil_shahcal@rediffmail.com	Tel. No.:0141-2297330, +91-9829753254			
Firm Registration No.: 310009E	Email: caravimansaka@gmail.com			
Contact Person: Mr. Sunil Shah	Contact Person: Mr. Ravi Mansaka			
BANKER TO THE ISSUE/ESCROW	REFUND BANK			
COLLECTION BANK				
[•]	[•]			
SYNDICATE	MEMBER			
[ullet]				



M/s Mansaka Ravi & Associates are appointed as peer review auditors of our Company in compliance with section IX of part A of Schedule VIII of SEBI (ICDR) Regulations and holds a valid peer reviewed certificate issued by the Institute of Chartered Accountants of India.

### STATEMENT OF INTER SE ALLOCATION OF RESPONSIBILITIES

Since Hem Securities Limited is the sole Book Running Lead Manager to this Issue, a statement of inter se allocation of responsibilities among Book Running Lead Managers is not required.

### SELF CERTIFIED SYNDICATE BANKS ("SCSBS")

The list of Designated Branches that have been notified by SEBI to act as SCSB for the ASBA process is provided on <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a>. For more information on the Designated Branches collecting ASBA Forms, see the above mentioned SEBI link.

### REGISTERED BROKERS

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the NSE at <a href="https://www.nseindia.com">www.nseindia.com</a>, as updated from time to time.

### REGISTRAR TO THE ISSUE AND SHARE TRANSFER AGENTS

The list of the RTAs eligible to accept application forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the websites of Stock Exchange at <a href="https://www.nseindia.com">www.nseindia.com</a>, 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 websites of Stock Exchange at <a href="https://www.nseindia.com">www.nseindia.com</a>, as updated from time to time.

The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the application forms from the Designated Intermediaries will be available on the website of the SEBI (<a href="www.sebi.gov.in">www.sebi.gov.in</a>) and updated from time to time

### **BROKERS TO THE ISSUE**

All members of the recognized stock exchanges would be eligible to act as Brokers to the Issue.

### **CREDIT RATING**

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

### IPO GRADING

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

### **DEBENTURE TRUSTEES**

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

### **TRUSTEES**



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

### MONITORING AGENCY

As per Regulation 16(1) of the SEBI (ICDR) Regulations, 2009 as amended, the requirement of Monitoring Agency is not mandatory if the Issue size is below Rs. 10000.00 Lacs.

### APPRAISING ENTITY

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

### **EXPERT'S OPINION**

Except for the reports in the section "Financial Information of the Company" and "Statement of Tax Benefits" on page 189 and 113 respectively of this Draft Red Herring Prospectus from the Statutory Auditor and Peer Review Auditors, our Company has not obtained any expert opinions. We have received written consent from the Statutory Auditors and Peer Review Auditors for inclusion of their name. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act 1933.

### **BOOK BUILDING PROCESS**

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

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

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

Further, Under-subscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange.



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

For further details on the method and procedure for Bidding, see "Issue Procedure" beginning on page 351.

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

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

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

- Check eligibility for making a Bid. For further details, please see the chapter titled "Issue Procedure" beginning on page 351.
- Ensure that you have an active demat account and the demat account details are correctly mentioned in the Bid cum-Application-Form;
- Ensure that the Bid-cum-Application Form is duly completed as per the instructions given in the Draft Red Herring Prospectus and in the Bid-cum-Application Form;
- Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the IT Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for bidders residing in Sikkim is subject to the Depositary Participant's verification of the veracity of such claims of the bidders by collecting sufficient documentary evidence in support of their claims;
- Ensure the correctness of your Demographic Details, given in the Bid-cum-Application Form with the details recorded with your Depository Participant
- Ensure the correctness of your PAN, beneficiary account number, DP ID and Client ID given in the Bid-cum-Application Form. Based on these parameters, the Registrar will obtain details of the Bidders from the Depositories including the Bidder's name and bank account number, among others;
- Bids by ASBA Bidders will have to be submitted to the designated branches of the SCSBs or to the Syndicate at the Specified Locations or to the Registered Brokers at the Broker Centres. Ensure that the SCSB where the ASBA Account (as specified in the Bid cum Application Form) is maintained has named at least one branch at the Specified Location or the Broker Centre for the members of the Syndicate or the Registered Broker, respectively, to deposit Bid cum Application Forms (a list of such branches is available at the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes;
- ASBA Bidders should ensure that the ASBA Accounts have adequate credit balance at the time of submission
  to the SCSB or the Syndicate or the Registered Brokers to ensure that the Bid cum Application Form is not
  rejected.

For further details please see the chapter titled "Issue Procedure" beginning on page 351 of this Draft Red Herring Prospectus

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



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

For an illustration of the Book Building Process and the price discovery process, see "Issue Procedure" beginning on page 351.

# Allotment to Retail Individual Investors and Minimum Bid Lots

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

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

For details, see the chapter titled "Issue Procedure" beginning on page 351 of this Draft Red Herring Prospectus

### WITHDRAWAL OF THE ISSUE

Our Company in consultation with the BRLM, reserve the right not to proceed with the Issue at any time before the Issue Opening Date without assigning any reason thereof.

If our Company withdraws the Issue anytime after the Issue Opening Date but before the allotment of Equity Shares, a public notice within 2 (two) working days of the Issue Closing Date, providing reasons for not proceeding with the Issue shall be issued by our Company. The notice of withdrawal will be issued in the same newspapers where the pre- Issue advertisements have appeared and the Stock Exchange will also be informed promptly. The BRLM, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within 1 (one) working Day from the day of receipt of such instruction.

If our Company withdraws the Issue after the Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will have to file a fresh Draft Red Herring Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares issued through the Draft Red Herring Prospectus, which our Company will apply for only after Allotment; and (ii) the final RoC approval of the Prospectus.

### **UNDERWRITING**

The Company and the Book Running Lead Manager to the Issue hereby confirm that the Issue is 100% Underwritten by the Underwriter [•].

Pursuant to the terms of the Underwriting Agreement dated [•], entered into by Company, Underwriter, the obligations of the Underwriter are subject to certain conditions specified therein. The Details of the Underwriting commitments are as under:



Details of the Underwriter		Amt Underwritten (₹ in Lakhs)	% of Total Issue Size Underwritten
[•]	[•]	[•]	[•]

<sup>\*</sup>Includes276000 Equity Shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker [•] in its OWN account in order to claim compliance with the requirements of Regulation 106 V (4) of the SEBI (ICDR) Regulations, 2009, as amended.

As per Regulation 106P (2) of SEBI (ICDR) Regulations, the Book Running 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 of our Company, the resources of the above mentioned Underwriter are sufficient to enable them to discharge their respective obligations in full.

### DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS ISSUE

Our Company and the Book Running Lead Manager has entered into Market Making Agreement dated [•] with the following Market Maker, to fulfill the obligations of Market Making for this issue:

Name	
Correspondence Address:	
Tel No.:	
Fax No.	
E-mail:	[•]
Website:	[*]
Contact Person:	
SEBI Registration No.:	
NSE Market Maker Registration	
No.	

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

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

- a) The Market Maker(s) (individually or jointly) 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(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
- b) The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of the NSE EMERGE Platform and SEBI from time to time.
- c) The minimum depth of the quote shall be Rs. 1,00,000/- . However, the investors with holdings of value less than Rs. 1,00,000/- shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) 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.
- d) The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the NSE EMERGE PLATFORM (in this case currently the minimum trading lot size is [●] equity shares; however the same may be changed by the NSE EMERGE Platform of NSE from time to time).



- e) After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our company reaches to 25% of Issue Size. Any Equity Shares allotted to Market Maker under this Issue over and above 25% of Issue Size would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduces to 24% of Issue Size, the Market Maker will resume providing 2 way quotes.
- f) There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, NSE may intimate the same to SEBI after due verification.
- g) Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
- h) 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.
- i) On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
- j) The Marker maker may also be present in the opening call auction, but there is no obligation on him to do so.
- k) 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, 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
- 1) The Market Maker(s) shall have the right to terminate said arrangement by giving a six months notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s) and execute a fresh arrangement.
  - 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 Book Running 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 106 V of the SEBI (ICDR) Regulations, 2009, as amended. Further our Company and the Book Running Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particulars point of time. The Market Making Agreement is available for inspection at our office from 11.00 a.m. to 5.00 p.m. on working days.
- m) Risk containment measures and monitoring for Market Makers: SME portal of NSE "NSE Emerge" will have all margins, which are applicable on the NSE main board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.
- n) Punitive Action in case of default by Market Makers: NSE's SME Exchange 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.



- o) **Price Band and Spreads:** 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.
- p) Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market makers during market making process has been made applicable, based on the Issue size and are as follows:

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

q) 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**

Set forth below are the details of the Equity Share Capital of our Company as on the date of this Draft Red Herring Prospectus.

(₹ in Lacs, except share data)

No.   Value at Face Value   Issue Pr		(₹ in Lacs, except share data				
A Authorized Share Capital 21,000,000 Equity Shares having Face Value of ₹ 10/- each  B Issued, Subscribed & Paid-up Share Capital prior to the Issue 14,930,545 Equity Shares having Face Value of ₹ 10/- each  C Present Issue in terms of this Draft Red Herring Prospectus* 54,96,000 Equity Shares having Face Value of ₹ 10/- each at a premium of ₹ [•] per share  Which Comprises  I. Reservation for Market Maker portion 2,76,000 Equity Shares of ₹ 10/- each at a premium of ₹ [•] per Equity Share  Net Issue to the Public 52,20,000 Equity Shares of ₹ 10/- each at a premium of ₹ [•] per Equity Share  of which  [•] Equity Shares of ₹ 10/- each at a premium of ₹ [•] per Equity Share will be available for allocation for allotment to Qualified Institutional Bidders.**  [•] Equity Shares of ₹ 10/- each at a premium of ₹ [•] per Equity Share will be available for allocation for allotment to Retail Individual Investors of up to ₹ 2.00 Lacs  [•] Equity Shares of ₹ 10/- each at a premium of ₹ [•] per Equity Share will be available for allocation for allotment to Non-Institutional Bidders of above ₹ 2.00 Lacs  [•] Equity Shares of ₹ 10/- each at a premium of ₹ [•] per Equity Share will be available for allocation for allotment to Non-Institutional Bidders of above ₹ 2.00 Lacs  [•] Equity Shares of ₹ 10/- each at a premium of ₹ [•] per Equity Share will be available for allocation for allotment to Non-Institutional Bidders of above ₹ 2.00 Lacs		Particulars		Aggregate		
A Authorized Share Capital 21,000,000 Equity Shares having Face Value of ₹ 10/- each  B Issued, Subscribed & Paid-up Share Capital prior to the Issue 14,930,545 Equity Shares having Face Value of ₹ 10/- each  C Present Issue in terms of this Draft Red Herring Prospectus* 54,96,000 Equity Shares having Face Value of ₹ 10/- each at a premium of ₹ [•] per share  Which Comprises  I. Reservation for Market Maker portion 2,76,000 Equity Shares of ₹ 10/- each at a premium of ₹ [•] per Equity Share  II. Net Issue to the Public 52,20,000 Equity Shares of ₹ 10/- each at a premium of ₹ [•] per Equity Share  of which  [•] Equity Shares of ₹ 10/- each at a premium of ₹ [•] per Equity Share will be available for allocation for allotment to Qualified Institutional Bidders.**  [•] Equity Shares of ₹ 10/- each at a premium of ₹ [•] per Equity Share will be available for allocation for allotment to Retail Individual Investors of up to ₹ 2.00 Lacs  [•] Equity Shares of ₹ 10/- each at a premium of ₹ [•] per Equity Share will be available for allocation for allotment to Non-Institutional Bidders of above ₹ 2.00 Lacs  [•] Equity Shares of ₹ 10/- each at a premium of ₹ [•] per Equity Share will be available for allocation for allotment to Non-Institutional Bidders of above ₹ 2.00 Lacs  [•] Equity Shares of ₹ 10/- each at a premium of ₹ [•] per Equity Share will be available for allocation for allotment to Non-Institutional Bidders of above ₹ 2.00 Lacs	No.			Value at		
21,000,000 Equity Shares having Face Value of ₹ 10/- each   1493.05			Value	Issue Price		
21,000,000 Equity Shares having Face Value of ₹ 10/- each   1493.05     14,930,545 Equity Shares having Face Value of ₹ 10/- each   1493.05     C   Present Issue in terms of this Draft Red Herring Prospectus*   54,96,000 Equity Shares having Face Value of ₹ 10/- each at a   549.60   [•]     Premium of ₹ [•] per share	A		2100.00	_		
14,930,545 Equity Shares having Face Value of ₹10/- each  C Present Issue in terms of this Draft Red Herring Prospectus* 54,96,000 Equity Shares having Face Value of ₹ 10/- each at a premium of ₹ [•] per share  Which Comprises  I. Reservation for Market Maker portion 2,76,000 Equity Shares of ₹10/- each at a premium of ₹ [•] per Equity Share  II. Net Issue to the Public 52,20,000 Equity Shares of ₹ 10/- each at a premium of ₹ [•] per Equity Share  of which  [•] Equity Shares of ₹ 10/- each at a premium of ₹ [•] per Equity Share will be available for allocation for allotment to Qualified Institutional Bidders.**  [•] Equity Shares of ₹ 10/- each at a premium of ₹ [•] per Equity Share will be available for allocation for allotment to Retail Individual Investors of up to ₹ 2.00 Lacs  [•] Equity Shares of ₹ 10/- each at a premium of ₹ [•] per Equity Share will be available for allocation for allotment to Non-Institutional Bidders of above ₹ 2.00 Lacs  D. Paid up Equity capital after the Issue			2100.00			
14,930,545 Equity Shares having Face Value of ₹10/- each         C       Present Issue in terms of this Draft Red Herring Prospectus*         54,96,000 Equity Shares having Face Value of ₹ 10/- each at a premium of ₹ [•] per Equity Share         Which Comprises         I. Reservation for Market Maker portion         2,76,000 Equity Shares of ₹10/- each at a premium of ₹ [•] per Equity Share         II. Net Issue to the Public         52,20,000 Equity Shares of ₹ 10/- each at a premium of ₹ [•] per Equity Share will be available for allocation for allotment to Qualified Institutional Bidders.**         [•] Equity Shares of ₹ 10/- each at a premium of ₹ [•] per Equity Share will be available for allocation for allotment to Retail Individual Investors of up to ₹ 2.00 Lacs         [•] Equity Shares of ₹ 10/- each at a premium of ₹ [•] per Equity Share will be available for allocation for allotment to Non-Institutional Bidders of above ₹ 2.00 Lacs         D. Paid up Equity capital after the Issue	В		1493.05	_		
54,96,000Equity Shares having Face Value of ₹ 10/-each at a Premium of ₹ [•] per share  Which Comprises  I. Reservation for Market Maker portion 2,76,000 Equity Shares of ₹10/- each at a premium of ₹ [•] per Equity Share  II. Net Issue to the Public 52,20,000 Equity Shares of ₹ 10/- each at a premium of ₹ [•] per Equity Share  of which  [•] Equity Shares of ₹ 10/- each at a premium of ₹ [•] per Equity Share will be available for allocation for allotment to Qualified Institutional Bidders.**  [•] Equity Shares of ₹ 10/- each at a premium of ₹ [•] per Equity Share will be available for allocation for allotment to Retail Individual Investors of up to ₹ 2.00 Lacs  [•] Equity Shares of ₹ 10/- each at a premium of ₹ [•] per Equity Share will be available for allocation for allotment to Non-Institutional Bidders of above ₹ 2.00 Lacs  Paid up Equity capital after the Issue		i v	1475.05			
Premium of ₹ [•] per share  Which Comprises  I. Reservation for Market Maker portion 2,76,000 Equity Shares of ₹10/- each at a premium of ₹ [•] per Equity Share  II. Net Issue to the Public 52,20,000 Equity Shares of ₹ 10/- each at a premium of ₹ [•] per Equity Share  of which  [•] Equity Shares of ₹ 10/- each at a premium of ₹ [•] per Equity Share will be available for allocation for allotment to Qualified Institutional Bidders.**  [•] Equity Shares of ₹ 10/- each at a premium of ₹ [•] per Equity Share will be available for allocation for allotment to Retail Individual Investors of up to ₹ 2.00 Lacs  [•] Equity Shares of ₹ 10/- each at a premium of ₹ [•] per Equity Share will be available for allocation for allotment to Non- Institutional Bidders of above ₹ 2.00 Lacs  D. Paid up Equity capital after the Issue	$\mathbf{C}$					
Which Comprises   I.   Reservation for Market Maker portion   2,76,000   Equity Shares of ₹10/- each at a premium of ₹ [•] per   27.60   Equity Share     II.   Net Issue to the Public   52,20,000   Equity Shares of ₹ 10/- each at a premium of ₹ [•] per   522.00   [•]   Equity Share   of which     [•]   Equity Shares of ₹ 10/- each at a premium of ₹ [•] per Equity   Share will be available for allocation for allotment to Qualified   Institutional Bidders.**   [•]   Equity Shares of ₹ 10/- each at a premium of ₹ [•] per Equity   Share will be available for allocation for allotment to Retail   Individual Investors of up to ₹ 2.00 Lacs   [•]   Equity Shares of ₹ 10/- each at a premium of ₹ [•] per Equity   Share will be available for allocation for allotment to Non-   [•]   [•]   Institutional Bidders of above ₹ 2.00 Lacs   Paid up Equity capital after the Issue			549.60	[●]		
I. Reservation for Market Maker portion  2,76,000 Equity Shares of ₹10/- each at a premium of ₹ [•] per Equity Share  II. Net Issue to the Public  52,20,000 Equity Shares of ₹ 10/- each at a premium of ₹ [•] per Equity Share  of which  [•] Equity Shares of ₹ 10/- each at a premium of ₹ [•] per Equity Share will be available for allocation for allotment to Qualified Institutional Bidders.**  [•] Equity Shares of ₹ 10/- each at a premium of ₹ [•] per Equity Share will be available for allocation for allotment to Retail Individual Investors of up to ₹ 2.00 Lacs  [•] Equity Shares of ₹ 10/- each at a premium of ₹ [•] per Equity Share will be available for allocation for allotment to Non- Institutional Bidders of above ₹ 2.00 Lacs  Paid up Equity capital after the Issue		Premium of ₹ [•] per share				
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II. Net Issue to the Public  52,20,000 Equity Shares of ₹ 10/- each at a premium of ₹ [•] per Equity Share  of which  [•] Equity Shares of ₹ 10/- each at a premium of ₹ [•] per Equity Share will be available for allocation for allotment to Qualified Institutional Bidders.**  [•] Equity Shares of ₹ 10/- each at a premium of ₹ [•] per Equity Share will be available for allocation for allotment to Retail Individual Investors of up to ₹ 2.00 Lacs  [•] Equity Shares of ₹ 10/- each at a premium of ₹ [•] per Equity Share will be available for allocation for allotment to Non- Institutional Bidders of above ₹ 2.00 Lacs  Paid up Equity capital after the Issue			27.60	[●]		
52,20,000 Equity Shares of ₹ 10/- each at a premium of ₹ [•] per Equity Share  of which  [•] Equity Shares of ₹ 10/- each at a premium of ₹ [•] per Equity Share will be available for allocation for allotment to Qualified Institutional Bidders.**  [•] Equity Shares of ₹ 10/- each at a premium of ₹ [•] per Equity Share will be available for allocation for allotment to Retail Individual Investors of up to ₹ 2.00 Lacs  [•] Equity Shares of ₹ 10/- each at a premium of ₹ [•] per Equity Share will be available for allocation for allotment to Non-Institutional Bidders of above ₹ 2.00 Lacs  Paid up Equity capital after the Issue		1 ,				
Equity Share  of which  [•] Equity Shares of ₹ 10/- each at a premium of ₹ [•] per Equity Share will be available for allocation for allotment to Qualified Institutional Bidders.**  [•] Equity Shares of ₹ 10/- each at a premium of ₹ [•] per Equity Share will be available for allocation for allotment to Retail Individual Investors of up to ₹ 2.00 Lacs  [•] Equity Shares of ₹ 10/- each at a premium of ₹ [•] per Equity Share will be available for allocation for allotment to Non- Institutional Bidders of above ₹ 2.00 Lacs  Design Paid up Equity capital after the Issue	II.					
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Institutional Bidders.**  [•] Equity Shares of ₹ 10/- each at a premium of ₹ [•] per Equity Share will be available for allocation for allotment to Retail Individual Investors of up to ₹ 2.00 Lacs  [•] Equity Shares of ₹ 10/- each at a premium of ₹ [•] per Equity Share will be available for allocation for allotment to Non- Institutional Bidders of above ₹ 2.00 Lacs  [•] Paid up Equity capital after the Issue						
[•] Equity Shares of ₹ 10/- each at a premium of ₹ [•] per Equity Share will be available for allocation for allotment to Retail Individual Investors of up to ₹ 2.00 Lacs  [•] Equity Shares of ₹ 10/- each at a premium of ₹ [•] per Equity Share will be available for allocation for allotment to Non- Institutional Bidders of above ₹ 2.00 Lacs  [•] Paid up Equity capital after the Issue		`				
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Individual Investors of up to ₹ 2.00 Lacs  [•] Equity Shares of ₹ 10/- each at a premium of ₹ [•] per Equity Share will be available for allocation for allotment to Non- Institutional Bidders of above ₹ 2.00 Lacs  D. Paid up Equity capital after the Issue						
[•] Equity Shares of ₹ 10/- each at a premium of ₹ [•] per Equity Share will be available for allocation for allotment to Non- Institutional Bidders of above ₹ 2.00 Lacs  D. Paid up Equity capital after the Issue			[•]	[●]		
Share will be available for allocation for allotment to Non- Institutional Bidders of above ₹ 2.00 Lacs  D. Paid up Family capital after the Issue						
Institutional Bidders of above ₹ 2.00 Lacs  D. Paid up Equity capital after the Issue						
D Paid un Fauity capital after the Issue			[•]	[●]		
D Paid un Equity capital after the Issue						
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2,04,26,545 Equity Shares having Face Value of ₹10/- each			20.12.00			
E Securities Premium Account	$\mathbf{E}$					
Before the Issue 1415.93						
*The present Issue of 54.06.000 Fauity Shares in terms of Draft Red Harring Presentus has been authorized.						

<sup>\*</sup>The present Issue of 54,96,000 Equity Shares in terms of Draft Red Herring Prospectus has been authorized pursuant to a resolution of our Board of Directors dated May 24, 2018 and by special resolution passed under Section 62(1) (c) of the Companies Act, 2013 at the Extra Ordinary General Meeting of the members held on May 26, 2018.

\*\*Our Company may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the Net QIB Portion. In case of non-Allotment in the Anchor Investor Portion, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than [•] Equity Shares, the balance Equity Shares available for allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, see "Issue Procedure" beginning on page 351 of the Draft Red Herring Prospectus.



#### **Classes of Shares**

Our Company has only one class of share capital i.e. Equity Shares of face value of Rs. 10/- each only. All the issued Equity Shares are fully paid-up. Our Company has no outstanding convertible instruments as on the date of this Draft Red Herring Prospectus.

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

Date of Meeting	AGM/EGM	Changes in Authorized Share Capital
Upon Incorporation		Authorized share capital of the Company was ₹ 5.00 Lakhs divided into 50,000
		Equity Shares of ₹10/- each.
October 17, 1997	EGM	Increase in authorized share capital of the Company from ₹ 5.00 Lakhs divided
		into 50,000 Equity Shares of ₹ 10/- each to ₹ 50.00 Lakhs divided into 5,00,000
		Equity Shares of ₹10/- each.
August 14, 2006	EGM	Increase in authorized share capital of the Company from ₹ 50.00 Lakhs divided
		into 5,00,000 Equity Shares of ₹ 10/- each to ₹ 150.00 Lakhs divided into
		15,00,000 Equity Shares of ₹ 10/- each.
January 16, 2010	EGM	Increase in authorized share capital of the Company from ₹ 150.00 Lakhs
		divided into 15,00,000 Equity Shares of ₹ 10/- each to ₹ 500.00 Lakhs divided
		into 50,00,000 Equity Shares of ₹ 10/- each.
January 12, 2018	EGM	Increase in authorized share capital of the Company from ₹ 500.00 Lakhs
		divided into 50,00,000 Equity Shares of ₹ 10/- each to ₹ 1000.00 Lakhs divided
		into 10,000,000 Equity Shares of ₹ 10/- each.
April 7, 2018	EGM	Increase in authorized share capital of the Company from ₹ 1000.00 Lakhs
		Lakhs divided into 10,000,000 Equity Shares of ₹ 10/- each to ₹ 2100.00 Lakhs
		divided into 21,000,000 Equity Shares of ₹ 10/- each.

## **Notes to Capital Structure**

## i. Share Capital History

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

The following table sets forth details of the history of the Equity Share capital of our Company:

Date of Allotment of Equity Shares	No. of Equity Shares allotted	Face Valu e (₹)	Issue Price (₹)	Nature of Conside ration	Nature of Allotment	Cumulativ e No. of Equity Shares	Cumulativ e Paid Up Capital (₹)	Cumulative Securities Premium (₹)
On Incorporatio n	200	10	10	Upon Incorpor ation	Subscription to MOA <sup>(i)</sup>	200	2000	-
December 06, 1991	600	10	10	Cash	Further Allotment <sup>(ii)</sup>	800	8000	-
March 28, 1992	10	10	10	Cash	Further Allotment <sup>(iii)</sup>	810	8100	-
March 15, 1996	43,800	10	10	Cash	Further Allotment <sup>(iv)</sup>	44,610	4,46,100	-
February 24, 1998	1,55,400	10	10	Cash	Further Allotment <sup>(v)</sup>	2,00,010	20,00,100	-
January 25, 2006	2,85,000	10	10	Cash	Further Allotment <sup>(vi)</sup>	4,85,010	48,50,100	-
March 31, 2007	80,800	10	60	Cash	Further Allotment <sup>(vi)</sup>	5,65,810	56,58,100	40,40,000



March 30, 2009	1,54,000	10	100	Cash	Further Allotment <sup>(vii)</sup>	7,19,810	71,98,100	1,79,00,000
February 12, 2010	7,19,810	10	10	-	Bonus Issue in the ratio of 1(One) equity shares for each 1 (one) equity shares held <sup>(ix)</sup>	14,39,620	1,43,96,200	1,07,01,900
March 31, 2010	7,00,000	10	100	Cash	Further Allotment <sup>(x)</sup>	21,39,620	2,13,96,200	7,37,01,900
August 31, 2011	2,00,000	10	100	Cash	Further Allotment (xi)	23,39,620	2,33,96,200	9,17,01,900
March 21, 2012	1,00,000	10	100	Cash	Further Allotment <sup>(xii)</sup>	24,39,620	2,43,96,200	10,07,01,900
March 31, 2012	2,00,000	10	100	Cash	Further Allotment (xiii)	26,39,620	2,63,96,200	11,87,01,900
March 31, 2014	8,41,250	10	80	Cash	Right Issue in the ratio of one share for every two shares held.	34,80,870	3,48,08,700	17,75,89,400
March 31, 2015	2,50,000	10	100	Cash	Right Issue in the ratio of one share for every ten shares held.	37,30,870	3,73,08,700	20,00,89,400
March 31, 2017	3,00,000	10	100	Cash	Right Issue in the ratio of one share for every ten shares held.	40,30,870	4,03,08,700	22,70,89,400
June 9, 2017	1,90,000	10	100	Cash	Right Issue in the ratio of one share for every ten shares held.	42,20,870	4,22,08,700	24,41,89,400
November 20,2017	45,000	10	100	Cash	Right Issue in the ratio of one share for every fifty shares held.	42,65,870	4,26,58,700	24,82,39,400
April 13, 2018	1,06,64,67 5	10	-	-	Bonus Issue in the ratio of 5 (Five) equity shares for each 2 (one) equity shares held (xiv)	1,49,30,54 5	14,93,05,45 0	14,15,92,650

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

## Notes:

# (i) <u>Initial Subscribers to the Memorandum of Association subscribed 200 Equity Shares of Face Value of Rs. 10/each, details of which are given below:</u>

S. No.	Name of Subscribers	Number of Shares
		Subscribed



1.	Mr. Shree Ballabh Fomra	100
2.	Mr. Madan Mohan Fomra	100
	Total	200

## (ii) Further allotment of 600 Equity Shares of Face Value of Rs. 10/- each fully paid:

S. No.	Name of Allotees	Number of Shares Alloted
1.	Mrs. Rashmi Fomra	100
2.	Mrs. Raj Kumari Fomra	100
3.	Mr. Shanti Prasad Fomra	100
4.	Mr. Vijay Kumar Fomra	100
5.	Mrs. Pana Bai Fomra	100
6.	Mr. Sanjeev Kumar Binani	100
	Total	600

## (iii) Further allotment of 10 Equity Shares of Face Value of Rs. 10/- each fully paid:

S. No.	Name of Allotees	Number of Shares Alloted
1.	Mr. Mukund Lal Rathi	10
	Total	10

## (iv) Further allotment of 43,800 Equity Shares of Face Value of Rs. 10/- each fully paid:

S. No.	Name of Allotees	Number of Shares Alloted
1.	Mr. Shree Ballabh Fomra	3,100
2.	Mr. Madan Mohan Fomra	2,600
3.	Mrs. Rashmi Fomra	2,000
4.	Mrs. Raj Kumari Fomra	3,000
5.	Mr. Shanti Prasad Fomra	5,000
6.	Mr. Vijay Kumar Fomra	5,600
7.	Mrs. Shashi Kala Fomra	5,500
8.	Mr. Manish Kumar Fomra	3,000
9.	S. B. Fomra HUF	9,000
10.	Pana Bai Fomra	2,500*
11.	Pana Bai Fomra	2,500**
	Total	43,800

<sup>\*2500</sup> Equity Shares are jointly held with Mr. Madan Mohan Fomra

## (v) Further allotment of 1,55,400 Equity Shares of Face Value of Rs. 10/- each fully paid:

S. No.	Name of Allotees	Number of Shares Alloted
1.	Mr. Madan Mohan Fomra	5,000
2.	Mrs. Rashmi Fomra	15,000
3.	Mrs. Raj Kumari Fomra	18,400
4.	Mr. Shanti Prasad Fomra	22,500
5.	Mr. Vijay Kumar Fomra	5,000
6.	Mr. Sanjeev Kumar Binani	10,000
7.	Mrs. Shashi Kala Fomra	5,000
8.	Mr. Manish Kumar Fomra	30,000
9.	S. B. Fomra HUF	5,000
10.	Pana Bai Fomra	10,000*
11.	Pana Bai Fomra	17,500**

<sup>\*\*2500</sup> Equity Shares are jointly held with Mr. Vijay Kumar Fomra



12.	Ms. Radhika Fomra	2,000
13.	Mr. Siddharth Fomra	2,000
14.	Mrs. Sarala Devi Mohta	8,000
	Total	1,55,400

<sup>\*10000</sup> Equity Shares are jointly held with Mr. Madan Mohan Fomra

## (vi) Further allotment of 2,85,000 Equity Shares of Face Value of Rs. 10/- each fully paid:

S. No.	Name of Allotees	Number of Shares Alloted
1.	Mrs. Raj Kumari Fomra	20,000
2.	Mr. Shanti Prasad Fomra	20,000
3.	Mr. Manish Kumar Fomra	20,000
4.	M M Fomra HUF	70,000
5.	V. K. Fomra HUF	70,000
6.	Ram Prakash Dujari	30,000
7.	Saroj Rathi	20,000
8.	Amit Mohta	20,000
9.	Sarala Devi Mohta	15,000
·	Total	2,85,000

# (vii) Further allotment of 80,800 Equity Shares of Face Value of Rs. 10/- each fully paid at Issue Price of Rs. 60/-:

S. No.	Name of Allotees	Number of Shares Alloted
1.	Amit Mohta	14,150
2.	Aakansha Advisory Services Pvt Ltd	10,000
3.	Lucky Prime Dealer (P) Ltd	10,000
4.	Ushika Merchants Pvt Ltd	10,000
5.	Corbal Suppliers Pvt Ltd	10,000
6.	Bhavsagar Vinimay Pvt Ltd	10,000
7.	Manro Finance & Traders Pvt Ltd	16,650
	Total	80,800

# (viii) <u>Further allotment of 1,54,000 Equity Shares of Face Value of Rs. 10/- each fully paid at Issue Price of Rs. 100/-:</u>

S. No.	Name of Allotees	Number of Shares Alloted
1.	Lucky Prime Dealer (P) Ltd	38,000
2.	Ushika Merchants Pvt Ltd	10,000
3.	Corbal Suppliers Pvt Ltd	10,000
4.	Bhavsagar Vinimay Pvt Ltd	10,000
5.	Gangadham Tracon Pvt Ltd	28,000
6.	Rasili Barter Pvt Ltd	28,000
7.	Raunak Vyapar & Viniyog Pvt Ltd	10,000
8.	Stronach Trade Private Limited	10,000
9.	Sunirmiti Mercantiles Pvt Ltd	10,000
	Total	1,54,000

(ix) Bonus Issue of 7,19,810 Equity Shares of Face Value of Rs. 10/- each fully paid in the ratio 1:1 i.e. One Bonus Equity shares for every one Equity Share held:

Bonus Equity shares for every one Equity Share near		
S. No.	Name of Allotees	Number of Shares Alloted
1.	Mr. Madan Mohan Fomra	5,670

<sup>\*\*17500</sup> Equity Shares are jointly held with Mr. Vijay Kumar Fomra



2.	Mrs. Rashmi Fomra	17,100
3.	Mrs. Raj Kumari Fomra	41,500
4.	Mr. Shanti Prasad Fomra	1,51,600
5.	Mr. Vijay Kumar Fomra	6,690
6.	Mrs. Pana Bai Fomra	1,32,600*
7.	Mr. Sanjeev Kumar Binani	10,060
8.	Mukund Lal Rathi	10
9.	Mrs. Shashi Kala Fomra	10,500
10.	Mr. Manish Kumar Fomra	53,000
11.	S. B. Fomra HUF	14,000
12.	Chandrakala lakhotia	10
13.	Jayshree Gandhi	10
14.	Priyanka Gandhi	10
15.	Swati Gandhi	10
16.	Ms. Radhika Fomra	2,000
17.	Mr. Siddharth Fomra	2,000
18.	Saroj Rathi	20,010
19.	Renu Kothari	10
20.	M M Fomra HUF	70,010
21.	V. K. Fomra HUF	70,010
22.	Rashmi Binani	6,000
23.	Priti Fomra	8,000
24.	Ram Prakash Dujari	30,000
25.	Amit Mohta	34,150
26.	Sarla Devi Mohta	15,000
27.	Shree Ballabh Fomra	3,200
28.	Manro Finance & Traders Pvt Ltd	16,650
	Total	7,19,810

<sup>\*</sup>\_12500 Equity Shares are jointly held with Mr. Madan Mohan Fomra and 20000 Equity Shares with Mr. Vijay Kumar Fomra.

# (x) <u>Further allotment of 7,00,000 Equity Shares of Face Value of Rs. 10/- each fully paid at Issue Price of Rs. 100/-:</u>

S. No.	Name of Allotees	Number of Shares Alloted
1.	Aakansha Advisory Services Pvt Ltd	1,00,000
2.	Lucky Prime Dealer (P) Ltd	50,000
3.	Corbal Suppliers Pvt Ltd	50,000
4.	Bhavsagar Vinimay Pvt Ltd	50,000
5.	Rasili Barter (P) Ltd	50,000
6.	Raunak Vyapar & Viniyog (P) Ltd	1,00,000
7.	Stronach Trade Private Limited	50,000
8.	Sunirmiti Mercantile s(P) Ltd	50,000
9.	Mahavir Falcon (P) Ltd	15,000
10.	Mideast Vyapaar Private Limited	30,000
11.	Madsan Agencies Pvt Ltd	50,000
12.	Pratiksha Commercial (P) Ltd	20,000
13.	Singh Finvest Pvt Ltd	15,000
14.	Sujala Trading & Holdings Ltd	50,000
15.	Sunflag Viniyog (P) Ltd	20,000
	Total	7,00,000

(xi) Further allotment of 2,00,000 Equity Shares of Face Value of Rs. 10/- each fully paid at Issue Price of Rs. 100/-:



S. No.	Name of Allotees	Number of Shares Alloted
1.	Bhavsagar Commodities Pvt Ltd	2,00,000
	Total	2,00,000

# (xii) <u>Further allotment of 1,00,000 Equity Shares of Face Value of Rs. 10/- each fully paid at Issue Price of Rs. 100/-:</u>

S. No.	Name of Allotees	Number of Shares Alloted
1.	Mr. Madan Mohan Fomra	5,000
2.	Mr. Vijay Kumar Fomra	5,000
3.	Mrs. Shashi Kala Fomra	5,000
4.	S. B. Fomra HUF	5,000
5.	M M Fomra HUF	5,000
6.	V. K. Fomra HUF	5,000
7.	Priti Fomra	5,000
8.	Manro Finance & Traders Pvt Ltd	50,000
9.	M. K. Fomra HUF	10,000
10.	Nikhita Chopra	5,000
	Total	1,00,000

# (xiii) <u>Further allotment of 2,00,000 Equity Shares of Face Value of Rs. 10/- each fully paid at Issue Price of Rs. 100/-:</u>

	S. No.	Name of Allotees	Number of Shares Alloted
Ī	1.	Balgopal Commodeal Pvt Ltd	2,00,000
Ī		Total	2,00,000

## (xiv) Right Issue of 8,41,250 Equity Shares of Face Value of Rs. 10/- each fully paid at Issue Price of Rs. 80/-:

S. No.	Name of Allotees	Number of Shares Alloted
1.	V. K. Fomra HUF	9,375
2.	Manro Finance & Traders Pvt Ltd	2,58,125
3.	Balgopal Commodeal Pvt Ltd	2,72,500
4.	Bhavsagar Commodities Pvt Ltd	2,91,875
5.	M. K. Fomra HUF	9,375
	Total	8,41,250

## (xv) Right Issue of 2,50,000 Equity Shares of Face Value of Rs. 10/- each fully paid at Issue Price of Rs. 100/-:

S. No.	Name of Allotees	Number of Shares Alloted
1.	Aakansha Advisory Services Pvt Ltd	50,000
2.	Corbal Suppliers Pvt Ltd	50,000
3.	Manro Finance & Traders Pvt Ltd	50,000
4.	Balgopal Commodeal Pvt Ltd	50,000
5.	Bhavsagar Commodities Pvt Ltd	50,000
	Total	2,50,000

## (xvi) Right Issue of 3,00,000 Equity Shares of Face Value of Rs. 10/- each fully paid at Issue Price of Rs. 100/-:

S. No.	Name of Allotees	Number of Shares Alloted
1.	Mr. Madan Mohan Fomra	10,000
2.	Mr. Vijay Kumar Fomra	10,000
3.	Mr. Manish Kumar Fomra	10,000



4.	Shree Ballabh Fomra	10,000
5.	Manro Finance & Traders Pvt Ltd	50,000
6.	Balgopal Commodeal Pvt Ltd	1,20,000
7.	Bhavsagar Commodities Pvt Ltd	50,000
8.	Vasundhara Kayan	16,000
9.	Sunil Kayan	9,000
10.	Sujata Kayan	15,000
	Total	3,00,000

## (xvii) Right Issue of 1,90,000 Equity Shares of Face Value of Rs. 10/- each fully paid at Issue Price of Rs. 100/-:

S. No.	Name of Allotees	Number of Shares Alloted
1.	Vasundhara Kayan	15,000
2.	Sunil Kayan	95,000
3.	Sujata Kayan	80,000
	Total	1,90,000

## (xviii) Right Issue of 45,000 Equity Shares of Face Value of Rs. 10/- each fully paid at Issue Price of Rs. 100/-:

S. No.	Name of Allotees	Number of Shares Alloted
1.	Vasundhara Kayan	17,000
2.	Dhanwantari Suppliers Pvt Ltd	28,000
	Total	45,000

# (xix) <u>Bonus Issue of 10,664,675 Equity Shares of Face Value of Rs. 10/- each fully paid in the ratio 5:2 i.e. Five Bonus Equity shares for every two Equity Share held:</u>

S. No.	Name of Allotees	Number of Shares Alloted
1.	Mr. Madan Mohan Fomra	1,28,350
2.	Mrs. Rashmi Fomra	3,31,250
3.	Mrs. Raj Kumari Fomra	2,07,500
4.	Mr. Shanti Prasad Fomra	7,58,000
5.	Mr. Vijay Kumar Fomra	1,70,950
6.	Mrs. Shashi Kala Fomra	65,000
7.	Mr. Manish Kumar Fomra	2,90,000
8.	S. B. Fomra HUF	82,500
9.	Jayshree Gandhi	50
10.	Priyanka Gandhi	50
11.	Swati Gandhi	50
12.	Ms. Radhika Fomra	1,10,200
13.	Mr. Siddharth Fomra	3,40,000
14.	M M Fomra HUF	3,62,550
15.	V. K. Fomra HUF	3,86,000
16.	Priti Fomra	52,500
17.	Shree Ballabh Fomra	5,41,500
18.	Manro Finance & Traders Pvt Ltd	21,03,550
19.	Balgopal Commodeal Pvt Ltd	21,06,250
20.	Bhavsagar Commodities Pvt Ltd	20,99,700
21.	M. K. Fomra HUF	2,85,925
22.	Nikhita Chopra	1,62,500
23.	Vedika Fomra	80,300
	Total	10,664,675



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

Except as mentioned in point 1 (a) (xvi) (xvii) (xviii) & (xix) above, we have not issued any Equity Share in the last two years preceding the date of the Draft Red Herring Prospectus

## • Issue of Equity Shares for consideration other than cash

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

Date of Allotmen t	Number of Equity Shares	Face Valu e (₹)	Issue Price (₹)	Reasons for Allotment	Benefits Accrued to our Company	Name of Allottees	No. of Shares Allotted
February 12, 2010	7,19,810	10	Nil	Bonus in the ratio of 1:1 i.e. 1 Equity Shares for every 1 Equity Share held	Capitalizati on of Reserves & Surplus	Mr. Madan Mohan Fomra Mrs. Rashmi Fomra Mrs. Raj Kumari Fomra Mr. Shanti Prasad Fomra Mr. Vijay Kumar Fomra Mrs. Pana Bai Fomra Mrs. Pana Bai Fomra Mrs. Sanjeev Kumar Binani Mukund Lal Rathi Mrs. Shashi Kala Fomra Mr. Manish Kumar Fomra S. B. Fomra HUF Chandrakala lakhotia Jayshree Gandhi Priyanka Gandhi Swati Gandhi Ms. Radhika Fomra Mr. Siddharth Fomra Saroj Rathi Renu Kothari M M Fomra HUF V. K. Fomra HUF Rashmi Binani Priti Fomra Ram Prakash Dujari Amit Mohta Sarla Devi Mohta Shree Ballabh Fomra Manro Finance & Traders Pvt Ltd TOTAL	5,670 17,100 41,500 1,51,600 6,690 1,32,600* 10,060 10 10,500 53,000 14,000 10 10 2,000 2,000 2,000 20,010 10 70,010 70,010 70,010 6,000 8,000 30,000 34,150 15,000 3,200 16,650 <b>7,19,810</b>
April 13, 2018	10664675	10	Nil	Bonus Issue in the ratio of 5 (Five) equity shares for each 2 (one) equity shares held	Capitalizati on of Reserves & Surplus	Mr. Madan Mohan Fomra Mrs. Rashmi Fomra Mrs. Raj Kumari Fomra Mr. Shanti Prasad Fomra Mr. Vijay Kumar Fomra Mrs. Shashi Kala Fomra Mrs. Manish Kumar Fomra S. B. Fomra HUF Jayshree Gandhi Priyanka Gandhi	128,350 331,250 207,500 758,000 170,950 65,000 290,000 82500 50



		Swati Gandhi	50
		Ms. Radhika Fomra	1,10,200
		Mr. Siddharth Fomra	3,40,000
		M M Fomra HUF	362,550
		V. K. Fomra HUF	3,86,000
		Priti Fomra	52,500
		Shree Ballabh Fomra	541,500
		Manro Finance & Traders	21,03,550
		Pvt Ltd	
		Balgopal Commodeal Pvt	21,06,250
		Ltd	
		Bhavsagar Commodities Pvt	20,99,700
		Ltd	
		M. K. Fomra HUF	2,85,925
		Nikhita Chopra	1,62,500
		Vedika Fomra	80,300
		TOTAL	10,664,675

<sup>\*</sup>\_12500 Equity Shares are jointly held with Mr. Madan Mohan Fomra and 20000 Equity Shares with Mr. Vijay Kumar Fomra.

- No Equity Shares have been allotted pursuant to any scheme approved under section 230-233 of the Companies Act, 2013 or under the corresponding provisions of the Companies Act, 1956.
- Our company has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves or unrealized profits.

• Except as mentioned below, no Equity shares have been issued which may be at price below the Issue price within last one year from the date of the Draft Red Herring Prospectus.

Date of Allotment	Allottees	No. of Equity Shares allotted	Face Value	Issue Price	Reason for Allotment	Category of Allottees
	Mr. Madan Mohan Fomra	128,350	(in ₹)	(in ₹)		Promoter
	Mrs. Rashmi Fomra	331,250				Promoter Group
	Mrs. Raj Kumari Fomra	207,500				Promoter Promoter
	Mr. Shanti Prasad Fomra	758,000				
		· ·				Promoter
	Mr. Vijay Kumar Fomra	170,950				Promoter
	Mrs. Shashi Kala Fomra	65,000	ratio		Bonus in the	Promoter Group
	Mr. Manish Kumar Fomra	290,000				Promoter
	S. B. Fomra HUF	82500				Promoter
	Jayshree Gandhi	50				Promoter Group
	Priyanka Gandhi	50		ratio of 5:2	Promoter Group	
April 13,	Swati Gandhi	50			i.e. 5 Equity Shares for every 2	Promoter Group
2018	Ms. Radhika Fomra	1,10,200	10			Promoter Group
	Mr. Siddharth Fomra	3,40,000				Promoter Group
	M M Fomra HUF	362,550			Equity Share	Promoter
	V. K. Fomra HUF	3,86,000			held	Promoter
	Priti Fomra	52,500				Promoter Group
	Shree Ballabh Fomra	541,500				Promoter
	Manro Finance & Traders					Promoter Group
	Pvt Ltd	21,03,550				-
	Balgopal Commodeal Pvt					Promoter Group
	Ltd	21,06,250				1
	Bhavsagar Commodities Pvt	20,99,700				Promoter Group



Ltd			
M. K. Fomra HUF	2,85,925		Promoter
Nikhita Chopra	1,62,500		Promoter
Vedika Fomra	80,300		Promoter Group
Total	10,664,675		

## Capital Build-up in respect of Shareholding of our Promoters

As on the date of this Draft Red Herring Prospectus, our Promoters Mr. Shree Ballabh Fomra, Mrs. Raj Kumari Fomra, Mr. Shanti Prasad Fomra, Mr. Madan Mohan Fomra, Mr. Vijay Kumar Fomra, Mr. Manish Kumar Fomra, Ms. Nikhita Chopra, S B Fomra( H U F ), M M Fomra (HUF), V K Fomra (H U F ) and M K Fomra (H U F) holds 7,58,100, 2,90,500, 10,61,200, 1,79,690, 2,39,330, 4,06,000, 2,27,500, 1,15,500, 5,07,570, 5,40,400 and 4,00,295 Equity Shares respectively of our Company. None of the Equity Shares held by our Promoters are subject to any pledge.

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

Date of Allotment and made fully paid up/ Transfer	No. of Equity Shares*	Face Value Per Share (₹)	Issue/ Acquis ition/T ransfe r Price (₹)*	Nature of Transactions	Pre-Issue Sharehol ding %	Post- Issue Sharehol ding %	Lock-in Period	Source of Funds
(A) Mr. Shree Bal	llabh Fomra							
February 01, 1991	100	10	10	Subscriber to MOA	Negligible	Negligible		Own Fund
March 15, 1996	3100	10	10	Allotment	0.02	0.02	-	Own Fund
August 30, 2004	(3200)	10	10	Transfer <sup>(i)</sup>	0.02	0.02		-
*	3200	10	10	Acquisition of Shares by way of Transfer <sup>(ii)</sup>	0.02	0.02	3 Years	Own Fund
February 12, 2012	3200	10	-	Bonus	0.02	0.02	3 Years	-
April 1, 2014	200200	10	10	Acquisition of Shares by way of Transmission <sup>(</sup>	1.34	0.98	3 Years	-
March 31, 2017	10000	10	100	Allotment	0.07	0.05	3 Years	Own Fund
April 13,2018	541500	10	-	Bonus	3.63	2.65	3 Years	-
Total (A)	7,58,100				5.08	3.71		
(B) Mrs. Raj Kun	nari Fomra							
December 06, 1991	100	10	10	Allotment	Negligible	Negligible	3 Years	Own Fund
March 15, 1996	3000	10	10	Allotment	0.02	0.01	3 Years	Own Fund
February 24, 1998	18400	10	10	Allotment	0.12	0.09	3 Years	Own Fund
January 25,2006	20000	10	10	Allotment	0.13	0.10	3 Years	Own Fund
February 12, 2012	41500	10	-	Bonus	0.28	0.20	3 Years	-
April 13,2018	207500	10	ı	Bonus	1.39	1.02	3 Years	-
Total (B)	2,90,500				1.95	1.42		
(C) Mr. Shanti Pr	asad Fomra							



			1	ı				
December 06, 1991	100	10	10	Allotment	Negligible	Negligible	3 Years	Own Fund
March 15, 1996	5000	10	10	Allotment	0.03	0.02	3 Years	Own Fund
February 24, 1998	22500	10	10	Allotment	0.15	0.11	3 Years	Own Fund
January 25,2006	20000	10	10	Allotment	0.13	0.10	3 Years	Own Fund
September 24, 2009	104000	10	10	Acquisition of Shares by way of Transfer <sup>(iv)</sup>	0.70	0.51	3 Years	Own Fund
February 12, 2012	151600	10	-	Bonus	1.02	0.74	3 Years	-
April 13,2018	758000	10	-	Bonus	5.08	3.71	3 Years	-
Total (C)	10,61,200				7.11	5.19		
(D) Mr. Madan M	Iohan Fomra							
February 01, 1991	100	10	10	Subscriber to MOA	Negligible	Negligible		Own Fund
March 15, 1996	2600	10	10	Allotment	0.02	0.01	3 Years	Own Fund
February 24, 1998	5000	10	10	Allotment	0.03	0.02	3 Years	Own Fund
January 14, 1997	(30)*	10	10	Transfer <sup>(v)</sup>	Negligible			-
December 21, 1998	(2000)	10	10	Transfer <sup>(vi)</sup>	0.01	0.01		-
February 12, 2012	5670	10	-	Bonus	0.04	0.03	3 Years	-
March 21, 2012	5000	10	100	Allotment	0.03	0.02	3 Years	Own Fund
April 1, 2014	25000	10	-	Acquisition of Joint Holding shares by way of Transmission (vii)**	0.17	0.12	3 Years	-
March 31, 2017	10000	10	100	Allotment	0.07	0.05	3 Years	Own Fund
April 13,2018	128350	10	-	Bonus	0.86	0.63	3 Years	-
Total (D)	1,79,690				1.20	0.88		
(E) Mr. Vijay Ku	mar Fomra		1					
December 06, 1991	100	10	10	Allotment	Negligible	Negligible		Own Fund
March 15, 1996	5600	10	10	Allotment	0.04	0.03	3 Years	Own Fund
February 24, 1998	5000	10	10	Allotment	0.03	0.02	3 Years	Own Fund
December 21, 1998	(4010)	10	10	Transfer <sup>(viii)</sup>	0.03	0.02		-
February 12, 2012	6690	10	-	Bonus	0.04	0.03	3 Years	-
March 21, 2012	5000	10	100	Allotment	0.03	0.02	3 Years	Own Fund
April 1, 2014	40000	10	-	Acquisition of Joint Holding shares by way of Transmission (ix)**	0.27	0.20	3 Years	-



March 31, 2017	10000	10	100	Allotment	0.07	0.05	3 Years	Own Fund
April 13,2018	170950	10	-	Bonus	1.14	0.84	3 Years	-
Total (E)	2,39,330				1.60	1.17		
(F) Mr. Manish K								
March 15, 1996	3000	10	10	Allotment	0.02	0.01	3 Years	Own Fund
February 24, 1998	30000	10	10	Allotment	0.20	0.15	3 Years	Own Fund
August 30, 2004	3200	10	10	Acquisition of Shares by way of Transfer <sup>(i)</sup>	0.02	0.02		Own Fund
January 25,2006	20000	10	10	Allotment	0.13	0.10	3 Years	Own Fund
-	(3200)	10	10	Transfer <sup>(ii)</sup>	0.02	0.02		-
February 12, 2012	53000	10	-	Bonus	0.35	0.26	3 Years	-
March 31, 2017	10000	10	100	Allotment	0.07	0.05	3 Years	Own Fund
April 13,2018	290000	10	-	Bonus	1.94	1.42	3 Years	-
Total (F)	4,06,000				2.72	1.99		
(G) Nikhita Chop								
March 21, 2012	5000	10	100	Allotment	0.03	0.02	1 Year	Own Fund
January 10, 2018	60000	10	10	Acquisition of Shares by way of Transfer <sup>(x)</sup>	0.40	0.29	1 Year	Own Fund
April 13,2018	162500	10	-	Bonus	0.08	0.06	1 Year	-
Total (G)	2,27,500				0.12	0.09		
(H) S B Fomra (H								
March 15, 1996	9000	10	10	Allotment	0.06	0.04	3 Years	Own Fund
February 24, 1998	5000	10	10	Allotment	0.03	0.02	3 Years	Own Fund
February 12, 2012	14000	10	-	Bonus	0.09	0.07	3 Years	-
March 21, 2012	5000	10	100	Allotment	0.03	0.02	3 Years	Own Fund
April 13,2018	82500	10	-	Bonus	0.55	0.40	3 Years	-
Total (H)	1,15,500				0.77	0.57		
(I) M M Fomra (I	HUF)							
March 23, 1999	10	10	10	Acquisition of Shares by way of Transfer <sup>(xi)</sup>	Negligible	Negligible	3 Years	Own Fund
January 25,2006	70000	10	10	Allotment	0.47	0.34	3 Years	Own Fund
February 12, 2012	70010	10	-	Bonus	0.47	0.34	3 Years	-
March 21, 2012	5000	10	100	Allotment	0.03	0.02	3 Years	Own Fund
April 13,2018	362550	10	-	Bonus	2.43	1.77	3 Years	-
Total (I)	5,07,570				3.40	2.48		
(J) V. K. Fomra (l	HUF)							
March 23, 1999	10	10	10	Acquisition of Shares by way of Transfer <sup>(xii)</sup>	Negligible	Negligible	3 Years	Own Fund
January 25,2006	70000	10	10	Allotment	0.47	0.34	3 Years	Own Fund
February 12, 2012	70010	10	-	Bonus	0.47	0.34	3 Years	-



March 21, 2012	5000	10	100	Allotment	0.03	0.02	3 Years	Own Fund	
March 31, 2014	9375	10	80	Allotment	0.06	0.05	3 Years	Own Fund	
January 10, 2018	5	10	80	Acquisition of Shares by way of Transfer <sup>(xiii)</sup>	Negligible	Negligible		Own Fund	
April 13,2018	386000	10	-	Bonus	2.58	1.89	3 Years	-	
Total (J)	5,40,400				3.61	2.64			
(K) M K Fomra (l	(K) M K Fomra (HUF)								
March 21, 2012	10000	10	100	Allotment	0.07	0.05	3 Years	Own Fund	
March 31, 2014	9375	10	80	Allotment	0.06	0.05	3 Years	Own Fund	
January 10, 2018	95000	10	102	Acquisition of Shares by way of Transfer <sup>(xiv)</sup>	0.64	0.46	1 Year	Own Fund	
January 10, 2018	(5)	10	80	Transfer <sup>(xiii)</sup>	Negligible	Negligible	ı		
April 13,2018	285925	10	=	Bonus	1.91	1.40	3 Years	-	
Total (K)	4,00,295				2.68	1.96			

<sup>\*</sup> Transfer details not reflected in AGM

### i. Detail of Transfer of 3200 Equity Shares by Shree Ballabh Fomra dated August 30, 2004

Sr. No.	Date of Transfer	Name of Transferor	No. of Share Transfer	Name of Transferee
1.	August 30, 2004	Shree Ballabh Fomra	3200	Manish Kumar Fomra
		Total	3200	

### ii. Detail of Acquisition of 3200 Equity Shares by Shree Ballabh Fomra.

Sr. No.	Date of Transfer	Name of Transferor	No. of Share Transfer	Name of Transferee
1.	=	Manish Kumar Fomra	3200	Shree Ballabh Fomra
		Total	3200	

# iii. Detail of Acquisition of 200200 Equity Shares by way of transmission by Shree Ballabh Fomra dated April 1, 2014

Sr. No.	Date of Transfer	Name of Transferor	No. of Share Transfer	Name of Transferee
1.	April 1, 2014	Pana Bai Fomra	200200	Shree Ballabh Fomra
		Total	200200	

## iv. Detail of Acquisition of 104000 Equity Shares by Mr. Shanti Prasad Fomra dated September 24, 2009

Sr. No.	Date of Transfer	Name of Transferor	No. of Share Transfer	Name of Transferee
		Lucky Prime Dealer (P) Ltd	48000	Shanti Prasad Fomra
1.	September 24, 2009	Gangadham Tracon Pvt Ltd	28000	Shanti Prasad Fomra
		Rasili Barter Pvt Ltd	28000	Shanti Prasad Fomra
		Total	104000	

## v. Details of Transfer of 30 Equity Shares by Mr. Madan Mohan Fomra.

<sup>\*\*</sup> Joint holding with Pana BaiFomra transmits due to her death.



Sr. No.	Date of Transfer	Name of Transferor	No. of Share Transfer	Name of Transferee
			10	Chandrakala Lakhotia
1.	January 14, 1997	Mr. Madan Mohan Fomra	10	Jayshree Gandhi
			10	Priyanka Gandhi
		Total	30	Swati Gandhi

### vi. Details of Transfer of 2000 Equity Shares by Mr. Madan Mohan Fomra dated December 21, 1998

Sr. No.	Date of Transfer	Name of Transferor	No. of Share Transfer	Name of Transferee
1.	December 21, 1998	Mr. Madan Mohan Fomra	2000	Sarala Devi Mohta
		Total	2000	

# vii.Detail of Acquisition of 25000 Equity Shares by way of transmission by Mr. Madan Mohan Fomra dated April 1, 2014

Sr. No.	Date of Transfer	Name of Transferor	No. of Share Transfer	Name of Transferee
1.	April 1, 2014	Pana Bai Fomra	25000	Madan Mohan Fomra
		Total	25000	

## viii. Details of Transfer of 4010 Equity Shares by Mr. Vijay Kumar Fomra dated December 21, 1998

Sr. No.	Date of Transfer	Name of Transferor	No. of Share Transfer	Name of Transferee
1	December 21, 1998	Mr. Vijay Kumar Fomra	4000	Sarala Devi Mohta
1.	December 21, 1998	wii. Vijay Kumai Folilia	10	Saroj Rathi
		Total	4010	

## ix. Detail of Acquisition of 40000 Equity Shares by way of transmission by Mr. Vijay Kumar Fomra dated April 1, 2014

Sr. No.	Date of Transfer	Name of Transferor	No. of Share Transfer	Name of Transferee
1.	April 1, 2014	Pana Bai Fomra	40000	Mr. Vijay Kumar Fomra
		Total	40000	

### x. Details of Acquisition of 60000 Equity Shares by Ms. Nikhita Chopra dated January 10, 2018

Sr. No.	Date of Transfer	Name of Transferor	No. of Share Transfer	Name of Transferee
1.	January 10, 2018	Mr. Ram Prakash Dujari	60000	Ms. Nikhita Chopra
		Total	60000	

### xi. Detail of Acquisition of 10 Equity Shares by M M Fomra (HUF) dated March 23,1999

Sr. No.	Date of Transfer	Name of Transferor	No. of Share Transfer	Name of Transferee
1.	March 23, 1999	Sanjeev Kumar Binani	10	M M Fomra (HUF)
		Total	10	

## xii. Detail of Acquisition of 10 Equity Shares by V K Fomra (HUF) dated March 23, 1999



Sr. No.	Date of Transfer	Name of Transferor	No. of Share Transfer	Name of Transferee
1.	March 23, 1999	Sanjeev Kumar Binani	10	V K Fomra (HUF)
·		Total	10	

## xiii. Detail of Acquisition of 5 Equity Shares by V K Fomra (HUF) dated January 10, 2018

Sr. No.	Date of Transfer	Name of Transferor	No. of Share Transfer	Name of Transferee
1.	January 10, 2018	M K Fomra (HUF)	5	V K Fomra (HUF)
		Total	5	

## xiv. Detail of Acquisition of 95000 Equity Shares by Manish Kumar Fomra (HUF) dated January 10, 2018

Sr. No.	Date of Transfer	Name of Transferor	No. of Share Transfer	Name of Transferee
1.	January 10, 2018	Sujata Kayan	95000	M K Fomra (HUF)
		Total	95000	

The average cost of acquisition of or subscription of shares by our Promoters is set forth in the table below:

Sr. No.	Name of the Promoters	No. of Shares held	Average cost of Acquisition (in ₹)
1.	Mr. Shree Ballabh Fomra	758100	1.36
2.	Mrs. Raj Kumari Fomra	290500	1.43
3.	Mr. Shanti Prasad Fomra	1061200	1.43
4.	Mr. Madan Mohan Fomra	179690	8.66
5.	Mr. Vijay Kumar Fomra	239330	6.55
6.	Mr. Manish Kumar Fomra	406000	3.77
7.	Nikhita Chopra	227500	4.84
8.	S B Fomra (HUF)	115500	5.54
9.	M M Fomra (HUF)	507570	2.36
10.	V K Fomra (HUF)	540400	3.61
11.	M K Fomra (H U F)	400295	28.58
	Total	4726085	

## • Shareholding of Promoters and Promoters Group

Following are the details of pre and post Issue shareholding of persons belonging to the category "Promoter and Promoter Group":

	Names	Pr	e IPO	Pos	st IPO
Sr. No	Names	Shares Held	% Shares Held	Shares Held	% Shares Held
	<b>Promoters &amp; Promoter Group</b>				
1.	Mr. Shree Ballabh Fomra	758100	5.08	758100	3.71
2.	Mrs. Raj Kumari Fomra	290500	1.95	290500	1.42
3.	Mr. Shanti Prasad Fomra	1061200	7.11	1061200	5.20
4.	Mr. Madan Mohan Fomra	179690	1.20	179690	0.88
5.	Mr. Vijay Kumar Fomra	239330	1.60	239330	1.17
6.	Mr. Manish Kumar Fomra	406000	2.72	406000	1.99
7.	Nikhita Chopra	227500	1.52	227500	1.11
8.	S B Fomra (HUF)	115500	0.77	115500	0.57
9.	M M Fomra (HUF)	507570	3.40	507570	2.48



10.	V K Fomra (HUF)	540400	3.62	540400	2.65
11.	M K Fomra (H U F)	400295	2.68	400295	1.96
12.	Mrs. Rashmi Fomra	463750	3.11	463750	2.27
13.	Mrs. Shashi Kala Fomra	91000	0.61	91000	0.45
14.	Mrs. Jayshree Gandhi	70	0.00	70	0.00
15.	Ms. Radhika Fomra	154280	1.03	154280	0.76
16.	Mr. Siddharth Fomra	476000	3.19	476000	2.33
17.	Mrs. Priti Fomra	73500	0.49	73500	0.36
18.	Ms. Vedika Fomra	112420	0.75	112420	0.55
19.	Priyanka Gandhi	70	0.00	70	0.00
20.	Swati Gandhi	70	0.00	70	0.00
21.	Manro Finance &traders Pvt Ltd	2944970	19.72	2944970	14.42
22.	Balgopal Commodeal Pvt Ltd	2948750	19.75	2948750	14.44
23.	Bhavsagar Commodities Pvt Ltd	2939580	19.69	2939580	14.39
	GRAND TOTAL	149,30,545	100.00	14930545	73.09

 Except as provided below, there are no Equity Shares acquired/ purchased/ sold by the Promoter and Promoter Group, Directors and their immediate relatives within six months immediately preceding the date of filing of this Draft Red Herring Prospectus:

Date of Allotment	Allottees	No. of Equity Shares allotted	Face Value	Issue Price	Reason for Allotment	Category of Allottees
		128,350	(in ₹)	(in ₹)		
	Mr. Madan Mohan Fomra	Promoter				
	Mrs. Rashmi Fomra	331,250				Promoter Group
	Mrs. Raj Kumari Fomra	207,500				Promoter
	Mr. Shanti Prasad Fomra	758,000				Promoter
	Mr. Vijay Kumar Fomra	170,950				Promoter
	Mrs. Shashi Kala Fomra	65,000				Promoter Group
	Mr. Manish Kumar Fomra	290,000				Promoter
	S. B. Fomra HUF	82500				Promoter
	Jayshree Gandhi	50				Promoter Group
	Priyanka Gandhi	50				Promoter Group
	Swati Gandhi	50			Bonus in the	Promoter Group
	Ms. Radhika Fomra	1,10,200 ratio of 5:2				Promoter Group
April 13,	Mr. Siddharth Fomra	3,40,000	10		i.e. 5 Equity	Promoter Group
2018	M M Fomra HUF	362,550	10		Shares for	Promoter
	V. K. Fomra HUF	3,86,000			every 2	Promoter
	Priti Fomra	52,500			Equity Share	Promoter Group
	Shree Ballabh Fomra	541,500			held	Promoter
	Manro Finance & Traders					Promoter Group
	Pvt Ltd	21,03,550				
	Balgopal Commodeal Pvt					Promoter Group
	Ltd	21,06,250				
	Bhavsagar Commodities Pvt					Promoter Group
	Ltd	20,99,700				
	M. K. Fomra HUF	2,85,925			Promoter	
	Nikhita Chopra	1,62,500			Promoter	
	Vedika Fomra	80,300				Promoter Group
	Total	10,664,675				

• Details of Promoters' Contribution Locked-in for Three Years



Date of Allotment and	No. of Equity	Face Value	Issue/ Acquisition/	Nature of Transactions	Pre-Issue Sharehol	Post- Issue	Lock-in Period
made fully paid up/ Transfer	Shares*	Per Share (₹)	Transfer Price (₹)*		ding %	Sharehol ding %	
(A) Mr. Shree Bal	  labh Fomra	(1)	(1)				
, ,		1.0	10	Acquisition of Shares	0.02	0.02	2.17
*	3200	10	10	by way of Transfer	0.02	0.02	3 Years
February 12, 2012	3200	10	- Bonus		0.02	0.02	3 Years
April 1, 2014	200200	10	10	Acquisition of Shares by way of Transmission	1.34	0.98	3 Years
March 31, 2017	10000	10	100	Allotment	0.07	0.05	3 Years
April 13, 2018	541500	10	-	Bonus	3.63	2.65	3 Years
Total (A)	7,58,100				5.08	3.71	
(B) Mrs. Raj Kun	nari Fomra	T					
December 06, 1991	100	10	10	Allotment	Negligible	Negligible	3 Years
March 15, 1996	3000	10	10	Allotment	0.02	0.01	3 Years
February 24, 1998	18400	10	10	Allotment	0.12	0.09	3 Years
January 25,2006	20000	10	10	Allotment	0.13	0.10	3 Years
February 12, 2012	41500	10	-	Bonus	0.28	0.20	3 Years
April 13, 2018	207500	10	-	Bonus	1.39	1.02	3 Years
Total (B)	2,90,500				1.95	1.42	
(C) Mr. Shanti Pr	asad Fomra	T					
December 06, 1991	100	10	10	Allotment	Negligible	Negligible	3 Years
March 15, 1996	5000	10	10	Allotment	0.03	0.02	3 Years
February 24, 1998	22500	10	10	Allotment	0.15	0.11	3 Years
January 25,2006	20000	10	10	Allotment	0.13	0.10	3 Years
September 24, 2009	104000	10	10	Acquisition of Shares by way of Transfer	0.70	0.51	3 Years
February 12, 2012	151600	10	-	Bonus	1.02	0.74	3 Years
April 13, 2018	758000	10	-	Bonus	5.08	3.71	3 Years
Total (C)	10,61,200				7.11	5.19	
(D) Mr. Madan M							
March 15, 1996	670	10	10	Allotment	0.02 0.01		3 Years
February 24, 1998	5000	10	10	Allotment	0.03	0.02	3 Years
February 12, 2012	5670	10	-	Bonus	0.04	0.03	3 Years
March 21, 2012	5000	10	100	Allotment	0.03	0.02	3 Years



				Acquisition of Joint			
April 1, 2014	25000	10	_	Holding shares by way	0.17	0.12	3 Years
1101111, 2011	23000	10		of Transmission	0.17	0.12	3 Tours
March 31, 2017	10000	10	100	Allotment	0.07	0.05	3 Years
April 13, 2018	128350	10	-	Bonus	0.86	0.63	3 Years
Total (D)	1,79,690				1.22	0.88	
(E) Mr. Vijay Ku							
March 15, 1996	1690	10	10	Allotment	0.04	0.03	3 Years
February 24, 1998	5000	10	10	Allotment	0.03	0.02	3 Years
February 12, 2012	6690	10	-	Bonus	0.04	0.03	3 Years
March 21, 2012	5000	10	100	Allotment	0.03	0.02	3 Years
April 1, 2014	40000	10	-	Acquisition of Joint Holding shares by way of Transmission	0.27	0.20	3 Years
March 31, 2017	10000	10	100	Allotment	0.07	0.05	3 Years
April 13, 2018	170950	10	-	Bonus	1.14	0.84	3 Years
Total (E)	2,39,330				1.62	1.19	
(F) Mr. Manish K	umar Fomra						
March 15, 1996	3000	10	10	Allotment	0.02	0.01	3 Years
February 24, 1998	30000	10	10	Allotment	0.20	0.15	3 Years
January 25,2006	20000	10	10	Allotment	0.13	0.10	3 Years
February 12, 2012	53000	10	-	Bonus	0.35	0.26	3 Years
March 31, 2017	10000	10	100	Allotment	0.07	0.05	3 Years
April 13, 2018	290000	10	-	Bonus	1.94	1.42	3 Years
Total (F)	4,06,000				2.72	1.99	
(G) S B Fomra (H	UF)						
March 15, 1996	9000	10	10	Allotment	0.06	0.04	3 Years
February 24, 1998	5000	10	10	Allotment	0.03	0.02	3 Years
February 12, 2012	14000	10	-	Bonus	0.09	0.07	3 Years
March 21, 2012	5000	10	100	Allotment	0.03	0.02	3 Years
April 13, 2018	82500	10	-	Bonus	0.55	0.40	3 Years
Total (H)	1,15,500				0.77	0.55	
(H) M M Fomra	(HUF)						
March 23, 1999	10	10	10	Acquisition of Shares by way of Transfer	Negligible	Negligible	3 Years
January 25,2006	70000	10	10	Allotment	0.47	0.34	3 Years
February 12, 2012	70010	10	-	Bonus	0.47	0.34	3 Years
March 21, 2012	5000	10	100	Allotment	0.03	0.02	3 Years
April 13, 2018	362550	10	-	Bonus	2.43	1.77	3 Years
Total (I) 5,07,570			3.40	2.48			



(I) V. K. Fomra (I	HUF)						
March 23, 1999	10	10	10	Acquisition of Shares by way of Transfer	Negligible	Negligible	3 Years
January 25,2006	70000	10	10	Allotment	0.47	0.34	3 Years
February 12, 2012	70010	10	-	Bonus	0.47	0.34	3 Years
March 21, 2012	5000	10	100	Allotment	0.03	0.02	3 Years
March 31, 2014	9375	10	80	Allotment	0.06	0.05	3 Years
January 10, 2018	5	10	80	Acquisition of Shares by way of Transfer	Negligible	Negligible	3 Years
April 13,2018	386000	10	-	Bonus	2.58	1.89	3 Years
Total (J)	5,40,400				3.61	2.64	
(J) M K Fomra (F	IUF)						
March 21, 2012	10000	10	100	Allotment	0.07	0.05	3 Years
March 31, 2014	9375	10	80	Allotment	0.06	0.05	3 Years
April 13,2018	80000	10	-	Bonus	0.54	0.39	
Total (K) 99375			0.67	0.49			

<sup>\*</sup>Date of transfer is not traceable.

The minimum Promoter's contribution has been brought in to the extent of not less than the specified minimum lot and from persons defined as "promoter" under the SEBI ICDR Regulations. All Equity Shares, which are being locked in are not ineligible for computation of Minimum Promoters Contribution as per Regulation 33 of the SEBI ICDR Regulations and are being locked in for 3 years as per Regulation 36(a) of the SEBI ICDR Regulations i.e. for a period of three years from the date of allotment of Equity Shares in this issue.

No Equity Shares proposed to be locked-in as Minimum Promoters Contribution have been issued out of revaluation reserve or for consideration other than cash and revaluation of assets or capitalization of intangible assets, involved in such transactions.

The entire pre-issue shareholding of the Promoters, other than the Minimum Promoters contribution which is locked in for three years, shall be locked in for a period of one year from the date of allotment in this Issue.

Our Promoters, Mr. Shree Ballabh Fomra, Mrs. Raj Kumari Fomra, Mr. Shanti Prasad Fomra, Mr. Madan Mohan Fomra, Mr. Vijay Kumar Fomra, Mr. Manish Kumar Fomra, Ms. Nikhita Chopra, S B Fomra(HUF), M M Fomra (HUF), V K Fomra (HUF) and M K Fomra (HUF) by a written undertaking, consented to have the equity shares held by them as mentioned in the table above as Minimum Promoters Contribution for a period of three years from the date of allotment in this Issue and will not be disposed / sold / transferred by the promoters during the period starting from the date of filing the Draft Red Herring Prospectus with SME Platform of NSE till the date of commencement of lock-in period as stated in the Draft Red Herring Prospectus. The Equity Shares under the Promoters contribution will constitute 20.55% of our post-issue paid up share capital.

Our Promoters have also consented that the Promoters contribution under Regulation 32 of the SEBI ICDR Regulations will not be less than 20% of the post issue paid up capital of our Company.

## Eligibility of Share for "Minimum Promoters Contribution in terms of clauses of Regulation 33 (1) of SEBI (ICDR) Regulations, 2009

Reg. No.	<b>Promoters' Minimum Contribution Conditions</b>	Eligibility Status of Equity Shares forming part of Promoter's Contribution
33(1) (a) (i)	Specified securities acquired during the preceding	The Minimum Promoter's contribution



Reg. No.	Promoters' Minimum Contribution Conditions	Eligibility Status of Equity Shares forming part of Promoter's Contribution
	three years, if they are acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets is involved in such transaction	does not consist of such Equity Shares which have been acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets. Hence Eligible
33 (1) (a) (ii)	Specified securities acquired during the preceding three years, resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the issuer or from bonus issue against Equity Shares which are ineligible for minimum promoters' contribution	The minimum Promoter's contribution does not consist of such Equity Shares.  Hence Eligible
33 (1) (b)	Specified securities acquired by promoters during the preceding one year at a price lower than the price at which specified securities are being offered to public in the initial public offer	The minimum Promoter's contribution does not consist of such Equity Shares.  Hence Eligible.
33 (1) (c)	Specified securities allotted to promoters during the preceding one year at a price less than the issue price, against funds brought in by them during that period, in case of an issuer formed by conversion of one or more partnership firms, where the partners of the erstwhile partnership firms are the promoters of the issuer and there is no change in the management: Provided that specified securities, allotted to promoters against capital existing in such firms for a period of more than one year on a continuous basis, shall be eligible	The minimum Promoter's contribution does not consist of such Equity Shares.  Hence Eligible.
33 (1) (d)	Specified securities pledged with any creditor.	Our Promoters have not Pledged any shares with any creditors. Accordingly, the minimum Promoter's contribution does not consist of such Equity Shares. Hence Eligible.

#### Details of Promoters' Contribution Locked-in for One Year

In terms of Regulation 36(b) and 37 of the SEBI ICDR Regulations, in addition to the Minimum Promoters contribution which is locked in for three years, as specified above, the entire pre-issue equity share capital constituting 1,07,32,880 Equity Shares shall be locked in for a period of one year from the date of allotment of Equity Shares in this Issue.

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

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



- a) In terms of Regulation 39 of the SEBI ICDR Regulations, the locked in Equity Shares held by the Promoters, as specified above, can be pledged with any scheduled commercial bank or public financial institution as collateral security for loan granted by such bank or institution provided that the pledge of Equity Shares is one of the terms of the sanction of the loan. Provided that securities locked in as minimum promoter contribution may be pledged only if, in addition to fulfilling the above requirements, the loan has been granted by such bank or institution, for the purpose of financing one or more of the objects of the Issue.
- b) In terms of Regulation 40 of the SEBI ICDR Regulations, the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding the Equity Shares which are locked in as per Regulation 36 or 37 of the SEBI ICDR Regulations, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.
- c) Further in terms of Regulation 40 of the SEBI ICDR Regulations, the Equity Shares held by the Promoters may be transferred to and amongst the Promoter Group or to new promoters or persons in control of the Issuer subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.

## 12. Shareholding Pattern of the Company

The table below represents the shareholding pattern of our Company in accordance with Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as on the date of this Draft Red Herring Prospectus:



I - Our Shareholding Pattern:-

Cate gory	shareholder	Nos. of share holde rs	shares held	up	es unde rlyin	shares held	ding as a % of total no. of shares (calculat		of se	Rights held in curities*		Shares Underl ying Outsta nding	ng , as a % assuming full conversion of	Numb Lock sha	ed in res	Sha	nres ged or rwise nbered	Num ber of equit y share
				equit y share s held	Dep		ed as per SCRR, 1957) As a % of (A+B+C 2)	No of Voting Rights  Class Class Equity Shares of Rs.10/- each^  Total as a % of (A+B+C)				conver tible securit ies (includ ing Warra nts)	convertible securities ( as a percentage of diluted share capital) As a % of (A+B+C2)	No. (a)	As a % of total Shar es held (b)	No. As a (a) % of total Share s held (b)		s held in dema terial ized form
I	II	III	IV	V	VI	VII = IV+V+VI	VIII			IX		X	XI=VII+ X	XII		XIII		XIV
(A)	Promoter & Promoter Group	23	14930545	-	-	14930545	100.00	14930545	-	14930545	100.00	-	-	-		-		[•]
(B)	Public	1	-	-	-	-	-	-	-	-	-	-	-			-		-
(C)	Non Promoter- Non Public	ı	-	-	-	-	-	-	-	-	-	-						-
	Shares underlying DRs	ı	-	-	-	-	-	-	-	-	-			-	-	-		
(C 2)	Shares held by Emp. Trusts	ı	-	-	-	-	-	-					-	-	-			
	Total	23	149,30,545	-	-	149,30,545	100.00	149,30,545	-	149,30,545	100.00	-	100.00	_		-		[•]

<sup>\*</sup>As on date of this Draft Red Herring Prospectus 1 Equity share holds 1 vote.

Our Company will file the shareholding pattern in the form prescribed under Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, one day prior to the listing of the Equity shares. The shareholding pattern will be uploaded on the Website of the NSE before commencement of trading of such Equity Shares.

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



## II – Shareholding pattern of the Promoter and Promoter Group

	Category & Name			Partly	Nos. of		Sharehol ding (calculat	No of Vo	class	of securitie		No. of Shares Underlyin g	assuming full conversion of	Number of Locked in shares	Number of Shares pledged or otherwise	
S. No.	of the Shareholders	No. of share holders	naid un	ıın		snares held	SCRR, 1957) As a % of (A+B+C 2)	Class	Clas s Y		Total as a % of Total Voting rights	Outstandi ng	of diluted share	As a		shares held in demater ialized form
	I	III	IV	V	VI	VII=IV+ V+VI	VIII			IX		X	XI = VII+ X	XII	XIII	XIV
(1)	Indian					, , , =										
(a)	Individuals/ Hindu undivided Family	23	14930545	-	-	14930545	100.00	14930545	-	14930545	100	-	100.00	-	-	[•]
	Madan Mohan		179,690	-	-	179,690	1.20	179,690	_	179,690	1.20	-	1.20	-	-	[•]
	Fomra Rashmi Fomra		463,750	_	_	463,750	3.11	463,750		463,750	3.11	_	3.11	_	_	[•]
	Raj Kumari Fomra		290,500	_	_	290,500	1.95	290,500		290,500	1.95	_	1.95	_	_	[•]
	Shanti Prasad Fomra		1,061,200	-	-	1,061,200	7.11	1,061,200	-	1,061,200		-	7.11	-	-	[•]
	Vijay Kumar Fomra		239,330	-	-	239,330	1.60	239,330	-	239,330	1.60	-	1.60	-	-	[•]
	Shashi Kala Fomra		91,000	-	-	91,000	0.61	91,000	-	91,000	0.61	-	0.61	-	-	[•]
	Manish Kumar Fomra		406,000	-	-	406,000	2.72	406,000	-	406,000	2.72	-	2.72	-	-	[•]
	S. B. Fomra HUF		115,500	-	-	115,500	0.77	115,500	-	115,500	0.77	-	0.77	-	-	[•]
	Jayshree Gandhi		70	-	-	70	0.00	70	-	70	0.00	-	0.00	-	-	[•]



	Priyanka Gandhi		70	-	-	70	0.00	70	-	70	0.00	-	0.00	-	-	[•]
	Swati Gandhi		70	-	-	70	0.00	70	-	70	0.00	-	0.00	-	-	[•]
	-Radhika Fomra		154,280	-	-	154,280	1.03	154,280	-	154,280	1.03	-	1.03	-	-	[•]
	Siddharth Fomra		476,000	-	-	476,000	3.19	476,000	-	476,000	3.19	-	3.19	-	-	[•]
	M M Fomra HUF		507,570	-	-	507,570	3.40	507,570	-	507,570	3.40	-	3.40	-	-	[•]
	V. K. Fomra HUF		540,400	-	-	540,400	3.62	540,400	-	540,400	3.62	-	3.62	-	-	[•]
	Priti Fomra		73,500	-	-	73,500	0.49	73,500	-	73,500	0.49	-	0.49	-	_	[•]
	Shree Ballabh Fomra		758,100	-	-	758,100	5.08	758,100	-	758,100	5.08	-	5.08	-	-	[•]
	Manro Finance & Traders Pvt Ltd		2,944,970	-	-	2,944,970	19.72	2,944,970	1	2,944,970	19.72	-	19.72	-	-	[•]
	Balgopal Commodeal Pvt Ltd		2,948,750	-	-	2,948,750	19.75	2,948,750	-	2,948,750	19.75	-	19.75	-	-	[•]
	Bhavsagar Commodities Pvt Ltd		2,939,580	-	-	2,939,580	19.69	2,939,580	-	2,939,580	19.69	-	19.69	-	-	[•]
	M. K. Fomra HUF		400,295	-	-	400,295	2.68	400,295	-	400,295	2.68	-	2.68	-	-	[•]
	Nikhita Chopra		227,500	-	-	227,500	1.52	227,500	-	227,500	1.52	-	1.52	-	-	[•]
	Vedika Fomra		112,420	-	-	112,420	0.75	112,420	-	112,420	0.75		0.75	-	-	[•]
(b)	Central Government/ State Government(s)	0	-	1	-	-	-	-	1	-	-	-	-	-	-	-
(c)	Financial Institutions/ Banks	0	-	-	-	-	-	-	1	-	-	-	-	-	-	-
(d)	Any Other	0	=	-	-	-	-	-	-	-	-	-	=	-	-	-
	Body Corporate															
	Sub-Total (A)(1)	23	14930545	-	-	14930545	100.00	14930545	-	14930545	100	-	100	-	-	[•]
(2)	Foreign	-	-	-	-	-	ı	-	-	-	-	-	-	-	-	-
(a)	Individuals (Non- Resident Individuals/ Foreign Individuals)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-



(b)	Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Foreign															
(d)	Portfolio	-	-	-	-	-	-	-	-	-	-	-	-	-	-	=.
	Investor															
(f)	Any Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	=.
	Sub-Total															
	(A)(2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total															
	Shareholding of															
	Promoter and	23	14930545		_	14930545	100.00	14930545		14930545	100	_	100			[•]
	Promoter	23	14730343	-	-	14930343	100.00	14730343	-	14930343	100	-	100	-	-	[•]
	Group (A)=															
	(A)(1)+(A)(2)						, , , ,									

<sup>\*</sup>As on date of this Draft Red Herring Prospectus 1 Equity share holds 1 vote.

## **III- Shareholding pattern of the Public shareholder**

					Partl	Nos. of		Shareh olding %	eac		ing Rights of securit	Shares	Total Sharehold ing , as a % assuming full	Lock Sh	ber of ked in ares	Sh pled	lber of ares ged or erwise nbered	Numbe
S. No.	Category & Name of the Shareholders	PAN	No. of share holde rs	share s	y	ying Deposit ory Receipt	Total nos. shares held	(calcula ted as per SCRR, 1957) As a % of (A+B+ C2)	Class Equity	Voting Class Y		ding converti ble securiti es	convertibl e securities ( as a	No. (a)	As a % of total share s held (b)	No. (a)	1 2/2 01	r of equity shares held in demate rialized form
	I	II	III	IV	V	VI	VII=IV+ V+VI	VIII			IX	X	XI= VII+ X	3	ΚΙΙ	X	Ш	XIV
<b>(1)</b>	Institutions														·		•	



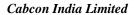
(a)	Mutual Funds	_	0	-	_	-	-	-	-	-	-	-	-	-	_	-	-
(b)	Venture Capital Funds	-	0	-	-	-	-	-	-	-	-	-	-		-	-	-
(c)	Alternate Investment Funds	-	0	-	-	-	-	-	-	-	-	ı	-	-	-	-	-
(d)	Foreign Venture Capital Investors	-	0	-	-	1	-	-	-	-	-	-	-	-	-	-	-
(e)	Foreign Portfolio Investors	-	0	-	-	1	-	-	-	-	-	ı	ı	ı	-	-	-
(f)	Financial Institutions/ Banks	-	0	-	-	ı	-	-	-	-	-	ı	ı	ı	-	-	-
(g)	Insurance Companies	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(h)	Provident Funds/ Pension Funds	-	0	-	-	ı	-	-	-	1	-	-	-	-	-	-	-
(i)	Any Other (specify)	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(1)	-	0	-	-	-	-	-	=	-	-	-	-	-	-	-	-
(2)	Central Government/ State Government(s)/ President of India	-	0	-	-	-	-	-	-	-	-	ı	-	-	-	-	-
	Sub-Total (B)(2)	-	0	-	-	•	-	-	-	-	-	-		•	-	-	-
<b>(3)</b>	Non-institutions																
(a)	Individuals																
	i. Individual shareholders holding nominal share capital up to Rs. 2 lakhs.	-	-	-	-	=	-	-	-	-	-	ı	-	-	-	-	-
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	NBFCs registered	-	0	-	-	-	-	-	-	-	-	-	ı	ı	-	-	-



	with RBI																
(c)	Employee Trusts	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Overseas Depositories	-	0	1	_	_	-	_	_	-	_	1	1	-	-	-	-
	(balancing figure)																
(e)	Any Other Body Corporate	-	0	-	-	-	-	-	-	ı	-	ı	ı	-	-	-	-
	Sub-Total (B)(3)	=	0	ı	-	-	-	-	-	-	-	1	ı	-	-	-	-
	Total Public Shareholding (B)= (B) (1) +(B)(2)+(B)(3)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

## $\underline{IV} \text{ - Shareholding pattern of the Non Promoter- Non Public shareholder}$

				No. of	Partly	snares	Total	Sharehold ing (calculate	Righ clas	nber ( ts hel s of s	d in o	each	No. of Shares Underl ying Outsta	Shareholdin g, as a % assuming	Number of Locked in shares	or otherwise	Number of equity shares held in
S. No.	Category & Name of the Shareholders	PAN	No. of sharehol ders	paid up	up equity shares	underlyi ng Deposito ry Receipts	nos. shares held	d as per SCRR, 1957) As a % of (A+B+C2)	Class Equity Shares of Rs.10/-	V	Tot al	as a % of Total Votin g	nding convert ible securiti es (includi ng Warra	conversion of convertible securities (as a percentage of diluted		No. total (not share s applic held able) (not	Share demateri alized form (Not applicable
	I	II	III	IV	V	VI	VII=IV+ V+VI	VIII	each	I)	K		nts)	XI= VII+ X	XII	XIII	XIV
(1)	Custodian/DR Holder						V + V 1										
(a)	Name of DR Holder (if available)	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub Total (c) (1)	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(2)	Employee Benefit Trust (under SEBI (Share based	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-





Employee Benefit)																
Regulations, 2014)																
<b>Sub Total</b> (C ) (2)	-	0	-	-	-	-	-	-	-	-	•	•	-	-	-	-
<b>Total Non- Promoter</b>																
Non- Public		0	_	_	_	_	_	_	_	_	_	_	_	_	_	_
shareholding (C )=	_	U	_	_	_	-	_	_	_	_	_	_	_	_	-	_
(C)(1)+(C)(2)																



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

As on date of this Draft Red Herring Prospectus, our Company has 23 (Twenty Three) shareholders.

a) Particulars of the top ten shareholders as on the date of filing of this Draft Red Herring Prospectus are as follows:

S.	Names	Shares Held (Face Value of Rs.	% Pre Issue paid up
No.		10 each)	Capital (In Shares)
1.	Balgopal Commodeal Pvt Ltd	2948750	19.75
2.	Manro Finance &traders Pvt Ltd	2944970	19.72
3.	Bhavsagar Commodities Pvt Ltd	2939580	19.69
4.	Shanti Prasad Fomra	1061200	7.11
5.	Shree Ballabh Fomra	758100	5.08
6.	V. K. Fomra HUF	540400	3.62
7.	M M Fomra HUF	507570	3.40
8.	Siddharth Fomra	476000	3.19
9.	Rashmi Fomra	463750	3.11
10.	Manish Kumar Fomra	406000	2.72
	Total	130,46,320	87.38

b) Particulars of the top ten shareholders ten days prior to the date of filing of this Draft Red Herring Prospectus are as follows:

S.	Names	Shares Held (Face Value of Rs.	% Pre Issue paid up
No.		10 each)	Capital (In Shares)
1.	Balgopal Commodeal Pvt Ltd	2948750	19.75
2.	Manro Finance &traders Pvt Ltd	2944970	19.72
3.	Bhavsagar Commodities Pvt Ltd	2939580	19.69
4.	Shanti Prasad Fomra	1061200	7.11
5.	Shree Ballabh Fomra	758100	5.08
6.	V. K. Fomra HUF	540400	3.62
7.	M M Fomra HUF	507570	3.40
8.	Siddharth Fomra	476000	3.19
9.	Rashmi Fomra	463750	3.11
10.	Manish Kumar Fomra	406000	2.72
	Total	130,46,320	87.38

# c) Particulars of the top ten shareholders two years prior to the date of filing of this Draft Red Herring Prospectus are as follows:

S.	Names	Shares Held (Face Value of Rs.	% Pre Issue paid up
No.		10 each)	Capital (In Shares)
1.	Bhavsagar Commodities Pvt Ltd	741875	4.97
2.	Manro Finance &traders Pvt Ltd	741425	4.97
3.	Balgopal Commodeal Pvt Ltd	672500	4.50
4.	Shanti Prasad Fomra	303200	2.03
5.	Shree Ballabh Fomra	206600	1.38
6.	V. K. Fomra HUF	154395	1.03
7.	M M Fomra HUF	145020	0.97
8.	Manish Kumar Fomra	106000	0.71
9.	Raj Kumari Fomra	83000	0.56
10.	Amit Mohta	68300	0.46
	Total	3222315	21.58

Details of shares held on May 31, 2016 and percentage held has been calculated based on the paid up capital of our company as on May 31, 2016.

14. We have no public shareholders in our Company as on date of this Draft Red Herring Prospectus.



15. Except as provided below no subscription to or sale or purchase of the securities of our Company was made within three years preceding the date of filing of this Draft Red Herring Prospectus by our Promoters or Directors or Promoter Group which in aggregate equals to or is greater than 1% of the pre-Issue share capital of our Company.

Date of Allotment	Name of Shareholders	No. of Equity Shares allotted	% of Pre- Issue Capital	Subscribed/ Acquired/ Transfer	Category of Allottees (Promoter/Promoter Group/Director)
Ionuory		anotteu	Capitai	Acquired by	Group/Director)
January 20, 2017	Mrs. Rashmi Fomra	98,300	0.66	way of Transfer	Promoter Group
	Mr. Madan Mohan Fomra	10,000	0.07		Promoter and Director
	Mr. Vijay Kumar Fomra	10,000	0.07		Promoter and Director
	Mr. Manish Kumar Fomra	10,000	0.07		Promoter and Director
March 31, 2017	Mr. Shree Ballabh Fomra	10,000	0.07	Allotted	Promoter and Director
2017	Manro Finance &traders Pvt Ltd	50000	0.33		Promoter Group
	Balgopal Commodeal Pvt Ltd	120000	0.80		Promoter Group
	Bhavsagar Commodities Pvt Ltd	50000	0.33		Promoter Group
	Ms. Radhika Fomra	40080	0.27		Promoter Group
	Mr. Siddharth Fomra	132000	0.88		Promoter Group
	V.K.Fomra HUF	5	Negligible		Promoter
	M.K.Fomra HUF	95000	0.64	Acquired by	Promoter
	Nikhita Chopra	60000	0.40	way of	Promoter
January	Vedika Fomra	32120	0.22	Transfer	Promoter Group
10, 2018	Balgopal Commodeal Pvt Ltd	50000	0.33	Transier	Promoter Group
	Manro Finance & Traders Pvt Ltd	50000	0.33		Promoter Group
	Bhavsagar Commodities Pvt Ltd	50005	0.33		Promoter Group
T	M K Fomra (HUF)	5	Negligible		Promoter Group
January 10, 2018	Manro Finance & Traders Pvt Ltd	5	Negligible	Transfer	Promoter Group
	Mr. Madan Mohan Fomra	128,350	0.86		Promoter
	Mrs. Rashmi Fomra	331,250	2.22		Promoter Group
	Mrs. Raj Kumari Fomra	207,500	1.39		Promoter Group
	Mr. Shanti Prasad Fomra	758,000	5.08		Promoter
	Mr. Vijay Kumar Fomra	170,950	1.14		Promoter
	Mrs. Shashi Kala Fomra	65,000	0.44		Promoter Group
April 13,	Mr. Manish Kumar Fomra	290,000	1.94		Promoter
2018	S. B. Fomra HUF	82500	0.55	Bonus Issue	Promoter
	Jayshree Gandhi	50	0.00		Promoter Group
	Priyanka Gandhi	50	0.00		Promoter Group
	Swati Gandhi	50	0.00		Promoter
	Ms. Radhika Fomra	1,10,200	0.74		Promoter
	Mr. Siddharth Fomra	3,40,000	2.28		Promoter Group
	Mr. Siddharth Fomra M M Fomra HUF			Promoter	
	V. K. Fomra HUF	3,86,000	2.59		Promoter
	Priti Fomra	52,500	0.35		Promoter
	Shree Ballabh Fomra	541,500	3.63		Promoter Group



Manro Finance & Traders Pvt Ltd	21,03,550	14.09	Promoter Group
Balgopal Commodeal			Promoter Group
Pvt Ltd	21,06,250	14.11	
Bhavsagar Commodities			Promoter Group
Pvt Ltd	20,99,700	14.06	
M. K. Fomra HUF	2,85,925	1.92	Promoter
Nikhita Chopra	1,62,500	1.09	Promoter
Vedika Fomra	80,300	0.54	Promoter Group

None of our Directors or Key Managerial Personnel holds any Equity Shares other than as set out below as on date of Draft Red Herring Prospectus:

S. No.	Name	Designation	No. of Equity Shares held
1.	Mr. Madan Mohan Fomra	Managing Director	179690
2.	Mr. Vijay Kumar Fomra	Whole Time Director	239330
3.	Mr. Shree Ballabh Fomra	Chairman & Non Executive Director	758100
4.	Ms. Nikhita Chopra	Chief Financial Officer	227,500
5.	Mr. Manish Kumar Fomra	Chief Executive Officer	406000

- 16. None of our Promoters, Promoter Group, our Directors and their relatives has entered into any financing arrangement or financed the purchase of the Equity Shares of our Company by any other person during the period of six months immediately preceding the date of filing of the Draft Red Herring Prospectus.
- 17. Neither, we nor our Promoters, Directors and the BRLM to this Issue have entered into any buyback and / or standby arrangements and / or similar arrangements for the purchase of our Equity Shares from any person.
- 18. As on the date of filing of this Draft Red Herring Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments which would entitle Promoters or any shareholders or any other person any option to acquire our Equity Shares after this Initial Public Offer
- 19. As on the date of this Draft Red Herring Prospectus, the entire Issued Share, Subscribed and Paid-up Share Capital of our Company is fully paid up.
- 20. Our Company has not raised any bridge loan against the proceeds of the Issue.
- 21. Since the entire issue price in respect of the issue is payable on application, all the successful applicants will be allotted fully paid up equity shares
- 22. As on the date of this Draft Red Herring Prospectus, none of the shares held by our Promoters / Promoters Group are subject to any pledge.
- 23. The Book Running Lead Manager i.e. Hem Securities Limited and their associates do not hold any Equity Shares in our Company as on the date of filing of Draft Red Herring Prospectus.
- 24. We here by confirm that there will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of the Draft Red Herring Prospectus until the Equity Shares offered have been listed or application money unblocked on account of failure of Issue.
- 25. Our Company does not presently intend or propose to alter its capital structure for a period of six months from the date of opening of the Issue, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether preferential or otherwise. This is except if we enter into acquisition or joint ventures or make investments, in which case we may consider raising additional capital to fund such activity or use Equity Shares as a currency for acquisition or participation in such joint ventures or investments.



- 26. None of our Equity Shares have been issued out of revaluation reserve created out of revaluation of assets.
- 27. 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 3 year lock- in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
- 28. 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, except for the QIB, 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 BRLM and Designated Stock Exchange i.e. NSE. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.
- 29. The unsubscribed portion in any reserved category (if any) may be added to any other reserved category.
- 30. The unsubscribed portion if any, after such inter se adjustments among the reserved categories shall be added back to the net offer to the public portion.
- 31. At any given point of time there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
- 32. Our Company shall comply with such disclosure and accounting norms as may be specified by Stock Exchange, SEBI and other regulatory authorities from time to time.
- 33. As on the date of this Draft Red Herring Prospectus, we do not have any Employees Stock Option Scheme / Employees Stock Purchase Scheme and we do not intend to allot any shares to our employees under Employee Stock Option Scheme/ Employee Stock Purchase Plan from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.
- 34. There are no Equity Shares against which depository receipts have been issued.
- 35. Other than the Equity Shares, there is no other class of securities issued by our Company.
- 36. We have 23 shareholders as on the date of filing of the Draft Red Herring Prospectus.
- 37. There are no safety net arrangements for this public issue.
- 38. As per RBI regulations, OCBs are not allowed to participate in this issue.
- 39. Our Promoters and Promoter Group will not participate in this Issue.
- 40. This Issue is being made through Book Building method.
- 41. Our Company has not made any public issue or rights issue of any kind or class of securities since its incorporation.
- 42. In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended, (the SCRR) the Issue is being made for at least 25% of the post-issue paid-up Equity Share capital of our Company. Further, this Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time.
- 43. No person connected with the Issue shall offer any incentive, whether direct or indirect, in the nature of discount, commission, and allowance, or otherwise, whether in cash, kind, services or otherwise, to any Applicant.



- 44. We shall ensure that transactions in Equity Shares by the Promoters and members of the Promoter Group, if any, between the date of registering the Prospectus with the RoC and the Issue Closing Date are reported to the Stock Exchanges within 24 hours of such transactions being completed.
- 45. For the details of transactions by our Company with our Promoter Group during for the stub period ended on January 01, 2018 and financial years ended on 2017, 2016, 2015, 2014 and 2013, please refer to paragraph titled "Related Parties Transactions as Restated" in the chapter titled "Financial Information of the Company" on page 189 of the Draft Red Herring Prospectus.



#### **OBJECTS OF THE ISSUE**

The Issue includes a fresh Issue of 54,96,000 Equity Shares of our Company at an Issue Price of Rs. [●] per Equity Share. Our Company proposes to utilize the proceeds of the Issue to meet the following objects:

- 1. To meet Working Capital Requirement
- 2. General Corporate Purposes
- 3. To Meet the Issue Expenses

(Collectively referred as the "objects")

We believe that listing will enhance our corporate image and visibility of brand name of our Company. We also believe that our Company will receive the benefits from listing of Equity Shares on the SME Platform of NSE.

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

#### **Requirement of Funds:-**

The following table summarizes the requirement of funds:

Particulars	Amt (₹ in Lacs)
Gross Issue Proceeds	[•]
Less: Issue Expenses	[•]
Net Issue Proceeds	[•]

<u>Utilization of Net Issue Proceeds:</u> The Net Issue Proceeds will be utilized for following purpose:

S. No	Particulars	Amt (₹ in Lacs)
1.	To meet Working Capital Requirement	[•]
2.	General Corporate Purposes	[•]
	Total	[•]

Means of Finance: - We intend to finance our Objects of Issue through Net Issue Proceeds which is as follows:

Particulars	Amt (₹ in Lacs)
Net Issue Proceeds	[•]
Total	[•]

Since the entire fund requirement are to be funded from the proceeds of the Issue, there is no requirement to make firm arrangements of finance under Regulation 4(2) (g) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the proposed Issue.

The fund requirement and deployment is based on internal management estimates and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to change in the light of changes in external circumstances or costs or other financial conditions and other external factors.

In case of any increase in the actual utilization of funds earmarked for the Objects, such additional funds for a particular activity will be met by way of means available to our Company, including from internal accruals. If the actual utilization towards any of the Objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding existing objects, if required. In case of delays in raising funds from the Issue, our Company may deploy certain amounts towards any of the above mentioned Objects through a combination of Internal Accruals or Unsecured Loans (Bridge Financing) and in such case the Funds raised shall be utilized towards repayment of such Unsecured Loans or recouping of Internal Accruals. However,



we confirm that no bridge financing has been availed as on date, which is subject to being repaid from the Issue Proceeds.

As we operate in competitive environment, our Company may have to revise its business plan from time to time and consequently our fund requirements may also change. Our Company's historical expenditure may not be reflective of our future expenditure plans. Our Company may have to revise its estimated costs, fund allocation and fund requirements owing to various factors such as economic and business conditions, increased competition and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of the Company's management.

For further details on the risks involved in our business plans and executing our business strategies, please see the section titled "*Risk Factors*" beginning on page 18 of the Draft Red Herring Prospectus.

#### 1. To meet Working Capital Requirement

Our business is working capital intensive. Considering the existing and future growth, the total working capital needs of our Company (as assessed based on the internal workings of our Company) is expected to reach ₹ [●] Lakhs for FY 2018-19. The Company has sanctioned the working capital Limit from Canara Bank, Union Bank of India, Karnataka Bank and Punjab National Bank and additional requirement to the extent of ₹ [●] Lakhs will be met from the Net Proceeds of the Issue.

The details of our Company working capital requirement and funding of the same are based on the Restated standalone financial Statement for the period ended January 31, 2018 and as at March 31, 2016 and March 31, 2017 along with expected working capital requirement as at March 31, 2019.

(₹ in Lacs)

S.	Particulars	Actual (Restated)			Estimated
No.		31/03/2016	31/03/2017	31/01/2018	31/03/2019
I	Current Assets				
	Inventories	5857.07	4929.12	7415.11	[•]
	Trade Receivables	12933.72	17693.91	22515.95	[•]
	Cash and Cash Equivalents	2664.15	4058.09	4395.49	[•]
	Short-term Loans and Advances	1358.09	1712.19	1807.56	[•]
	Other Current Assets	2.83	2.18	(1.10)	[•]
	Total(A)	22815.86	28395.49	36133.01	[•]
II	Current Liabilities				
	Trade payables	8563.75	13028.19	17427.09	[•]
	Other Current Liabilities	1603.54	1691.53	3090.08	[•]
	Short Term Provisions	59.16	50.14	118.40	[•]
	Total (B)	10226.45	14769.86	20635.57	[•]
III	Total Working Capital Gap (A-B)	12589.41	13625.63	15497.44	[•]
IV	Funding Pattern				[•]
	Short term borrowing from Bank	9741.11	9729.69	11219.06	[•]
	Internal Accruals	2848.3	3895.94	4278.38	[•]
	IPO Proceeds				[•]

#### **Justification:**

S. No.	Particulars	
Inventories	We expect Inventory levels of Finished Goods to maintain at [●] days for FY 2018-19 due to	
	our production cycle and maintaining required level of inventory	
Debtors	We expect Debtors Holding days to be at [●] days for FY 2018-19 based on increased sales	
	and better credit Management policies ensuring timely recovery of dues.	



Creditors	In future, we expect our Creditors to be at [•] days due to increase in purchase of raw	
	materials and reduction of the credit period and Cash purchases.	

#### 2. General Corporate Purposes

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

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

#### 3. To Meet the Issue Expenses

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

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

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

<sup>\*\*</sup>SCSBs will be entitled to a processing fee of Rs. [•]/- per Application Form for processing of the Application Forms procured by other Application Collecting Intermediary and submitted to them on successful allotment. Selling commission payable to Registered broker, SCSBs, RTAs, CDPs on the portion directly procured from Retail Individual Applicants and Non Institutional Applicants, would be •]% on the Allotment Amount or Rs [•]/- whichever is less on the Applications wherein shares are allotted.

### **Proposed Schedule of Implementation:**

The proposed year wise break up of deployment of funds and Schedule of Implementation of Net Issue Proceeds is as under:

(₹ In Lakhs)

S.	Particulars	Amount to be deployed and utilized in
No.		F.Y. 18-19
1.	To meet Working Capital Requirement	[•]
2.	General Corporate Purposes	[•]
3.	Public Issue Expenses	[•]
	Total	[•]



### Funds Deployed and Source of Funds Deployed:

Our Statutory Auditors M/s M/s SRB & Associates, Chartered Accountants vide their certificate dated May 26, 2018 have confirmed that as on date of certificate the following funds have been deployed for the proposed object of the Issue:

Particulars	Amt (₹ in Lakh)
Issue Expenses	7.00
Total	7.00

# Sources of Financing for the Funds Deployed:

Our Statutory Auditors M/s SRB & Associates, Chartered Accountants vide their certificate dated May 26, 2018 have confirmed that as on date of certificate the following funds have been deployed for the proposed object of the Issue:

Particulars	Amt (₹ in Lakh)
Internal Accruals	7.00
Total	7.00

#### **Appraisal**

None of the Objects have been appraised by any bank or financial institution or any other independent third party organization. The funding requirements of our Company and the deployment of the proceeds of the Issue are currently based on available quotations and management estimates. The funding requirements of our Company are dependent on a number of factors which may not be in the control of our management, including variations in interest rate structures, changes in our financial condition and current commercial conditions and are subject to change in light of changes in external circumstances or in our financial condition, business or strategy.

#### **Shortfall of Funds**

Any shortfall in meeting the fund requirements will be met by way of internal accruals and or unsecured Loans.

## **Bridge Financing Facilities**

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

# **Monitoring Utilization of Funds**

The Audit committee & the Board of Directors of our Company will monitor the utilization of funds raised through this public issue. Pursuant to Regulation 32 of SEBI Listing Regulation 2015, our Company shall on half-yearly basis disclose to the Audit Committee the Applications of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in the Draft Red Herring Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full. The statement of funds utilized will be certified by the Statutory Auditors of our Company.

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

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

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

#### Variation in Objects



In accordance with Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act and shall be published in accordance with the Companies Act and the rules there under. As per the current provisions of the Companies Act, our Promoters or controlling Shareholders would be required to provide an exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

#### Other confirmations

There is no material existing or anticipated transactions with our Promoter, our Directors, our Company's key Managerial personnel and Group Companies, in relation to the utilization of the Net Proceeds. No part of the proceeds of the Issue will be paid by us to the Promoters and Promoter Group, Group Companies, the Directors, associates or Key Management Personnel, except in the normal course of business and in compliance with applicable law.



# **BASIC TERMS OF ISSUE**

#### **Authority for the Present Issue**

#### Fresh Issue

This Issue in terms of this Draft Red Herring Prospectus has been authorized by the Board of Directors pursuant to a resolution dated May 24, 2018 and by the shareholders pursuant to a special resolution passed in an Extra Ordinary General Meeting held on May 26, 2018 under section 62 (1) (c) of the Companies Act, 2013.

#### Terms of the Issue

The Equity Shares, being issued, shall be subject to the provisions of the Companies Act, ICDR Regulations, SCRA, SCRR, the Memorandum and Articles of Association on, the terms and conditions of the Draft Red Herring Prospectus, Prospectus, Application form, Confirmation of Allocation Note ("CAN"), the guidelines for listing of securities issued by the Government of India and the Depositories Act, Stock Exchange, RBI, RoC and/or other authorities as in force on the date of the Issue and to the extent applicable.

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

Face Value	Each Equity Share shall have the face value of ₹ 10.00 each.				
Issue Price	Each Equity Share is being issued at a price of ₹ [•] each and is [•] times of Face				
	Value.				
Market Lot and	The Market lot and Trading lot for the Equity Share i● [and the multiple of [●];				
<b>Trading Lot</b>	subject to a minimum allotment of [ ●] Equity Shares to the successful Applicant.				
Terms of Payment	100% of the issue price of ₹ [•] per share shall be payable on Application. For more				
	details please refer "Terms of the Issue" beginning to page 338 of the Draft Red				
	Herring Prospectus.				
Ranking of the	The Equity Shares being issued pursuant to this issued shall be subject to the provisions				
<b>Equity Shares</b>	of Companies Act, Memorandum and Articles of Association of the Company and shall				
	rank pari passu in all respects including dividends with the existing Equity Shares of the				
	Company. The Allottees in receipt of Allotment of Equity Shares under this Issue will				
	be entitled to dividends and other corporate benefits, if any, declared by the Company				
	after the date of Allotment. For further details, please see "Main Provisions of the				
	Articles of Association" on page 400 of the Draft Red Herring Prospectus.				

# **Minimum Subscription**

In accordance with Regulation [106P] (1) of SEBI ICDR Regulations, this Issue is 100% underwritten. Also, in accordance with explanation to Regulation [106P] (1) of SEBI ICDR Regulations the underwriting shall not be restricted up to the minimum subscription level.

If our Company does not receive subscription of 100% of the Issue including devolvement of Underwriters within 60 (Sixty) days from the date of closure of the Issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond the prescribed time, our Company shall pay interest prescribed in the Companies Act, the SEBI (ICDR) Regulations and other applicable Laws, if any.

Further, In accordance with Regulation [106R] of SEBI ICDR Regulations, No allotment shall be made pursuant to the Issue, if the number of prospective allottees is less than 50 (fifty).

For further details, please refer to section titled "Terms of the Issue" beginning on page 338 of the Draft Red Herring Prospectus.



# **BASIS FOR ISSUE PRICE**

Investors should read the following summary with the section titled "Risk Factors", the details about our Company under the section titled "Our Business" and its financial statements under the section titled "Financial Information of the Company" beginning on page18, 125 and 189 respectively of this Draft Red Herring Prospectus. The trading price of the Equity Shares of our Company could decline due to these risks and the investor may lose all or part of his investment.

The Issue Price has been determined by the Company in consultation with the BRLM on the basis of the key business strengths of our Company. The face value of the Equity Shares is ₹ 10.00 each and the Issue Price is [•] which is [•] times of the face value.

## **Qualitative Factors**

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

- Quality Assurance
- Customer Satisfaction
- Wide range of Products
- Experienced management team and skilled workforce

For further details, see "Our Business" beginning on page 125.

#### **Quantitative Factors**

The information presented below relating to our Company is based on the Restated Financial Statements. For further details, see "Financial Information of the Company" beginning on page 189.

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

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

As per the restated Standalone Financial Statements:

Period ended	Basic & Diluted (₹)	Weights
March 31, 2017	4.50	3
March 31, 2016	3.17	2
March 31, 2015	2.71	1
Weighted Average	3.76	
January 31, 2018 (Not annualized)	5.98	

#### Notes:

- i. The figures disclosed above are based on the restated financial statements of the Company.
- ii. The face value of each Equity Share is ₹ 10.00.
- iii. Earnings per Share has been calculated in accordance with **Accounting Standard 20** "Earnings per Share" issued by the Institute of Chartered Accountants of India.
- iv. The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in Annexure IV.
- v. The ratios have been computed as below:
  - Basic EPS (in  $\nearrow$ ) = Net profit after tax as restated, attributable to equity shareholders divided by weighted average number of equity shares outstanding
  - Diluted EPS (in ₹) = Net profit after tax as restated, divided by weighted average number of diluted equity shares outstanding during the year

As per the restated Consolidated Financial Statements:

Period ended	Basic & Diluted (₹)	Weights
March 31, 2017	4.50	-
January 31, 2018 (Not annualized)	5.98	-



#### Notes:

- i. The figures disclosed above are based on the restated financial statements of the Company.
- *ii.* The face value of each Equity Share is ₹ 10.00.
- iii. Earnings per Share has been calculated in accordance with **Accounting Standard 20** "Earnings per Share" issued by the Institute of Chartered Accountants of India.
- iv. The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in Annexure IV.
- v. The ratios have been computed as below:
  - Basic EPS (in  $\overline{\xi}$ ) = Net profit after tax as restated, attributable to equity shareholders divided by weighted average number of equity shares outstanding
  - Diluted EPS (in  $\overline{\xi}$ ) = Net profit after tax as restated, divided by weighted average number of diluted equity shares outstanding during the year

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

Particulars	P/E at Floor Price	P/E at Cap Price
Based on basic EPS for the year ended March 31, 2017 on an standalone basis	[•]	[•]
Based on the Weighted Average EPS on an standalone basis	[•]	[•]
Based on basic EPS for the year ended March 31, 2017 on an consolidated basis	[•]	[•]
Based on the Weighted Average EPS on an consolidated basis	[•]	[•]

## Peer Group P/E\*

S. No	Particulars Particulars	P/E
1	Highest (Ultracab (India) Ltd.)	382.50
2	Lowest (Emgee Cables & Communications Ltd)	5.70
	Industry Composite – Cable and Conductors	31.26

<sup>\*</sup>Source: ACEequity data dated May 28, 2017

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

As per Restated Standalone Financial Statements:

Period	RONW (%)	Weights
March 31, 2017	12.46	3
March 31, 2016	10.74	2
March 31, 2015	10.08	1
Weighted Average	11.49	
January 31, 2018 (Not annualized)	14.15	

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

## As per Restated Consolidated Financial Statements:

Period	RONW (%)	Weights
March 31, 2017	12.46	-
January 31, 2018 (Not annualized)	14.15	-

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

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

- (a) Based on Standalone Basic and Diluted EPS, as restated of FY 2016-17
  - At Floor Price [•]
  - At Cap Price [•]
- (b) Based on Standalone weighted average Basic and Diluted EPS, as restated of FY 2016-17
  - At Floor Price [•]
  - At Cap Price [•]

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



As at	NAV Standalone (₹)	NAV Consolidated (₹)
March 31, 2017	129.31	129.31
March 31, 2016	114.27	=
March 31, 2015	102.00	=
At Issue Price	[•]	[•]
January 31, 2018	148.74	148.74

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

## 6. Comparison of Accounting Ratios with Industry Peers

S. No.	Name of Company	Face Value (₹)	EPS (₹)	PE	RoNW (%)	Book Value (₹)
1.	CMI Ltd.	10	20.35	14.47	15.88	138.44
2.	Cords Cable Industries Ltd.	10	3.78	20.69	4.23	93.83
3.	KEI Industries Ltd.	2	12.64	37.80	23.67	60.10
4.	Surana Telecom & Power Ltd.	1	0.31	14.20	2.76	6.25
5.	Cabcon India Limited	10	4.50	[•]	12.46	129.31

<sup>&</sup>lt;sup>1</sup>\*Source: ACEequity data dated May 28, 2017

Considering the nature of business of the company the peers are not strictly comparable, however same have been included for board comparison.

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

The Issue Price of ₹ [•] has been determined by our Company in consultation with the BRLM, on the basis of demand from investors for Equity Shares through the Book Building Process and, is justified in view of the above qualitative and quantitative parameters. 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 Auditors' Report in the offer Document to have more informed view about the investment.

Investors should read the above mentioned information along with "Risk Factors", "Our Business", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Financial Information of the Company" on pages 18, 125, 295 & 189, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the "Risk Factors" and you may lose all or part of your investments.

<sup>&</sup>lt;sup>2</sup> Based on March 31, 2017 restated financial statements

<sup>&</sup>lt;sup>3</sup> Basic & Diluted Earnings per share (EPS), as adjusted

<sup>&</sup>lt;sup>4</sup> Price Earning (P/E) Ratio in relation to the Issue Price of [•] per share

The Basic EPS and NAV per share as on January 31, 2018 is Rs5.98 and Rs 148.74 respectively

<sup>&</sup>lt;sup>5</sup>Book Value has been calculated based on the weighted average number of shares of the company.



#### STATEMENT OF TAX BENEFITS

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

The Board of Directors Cabcon India Limited 4A, Pollock Street, Kolkata West Bengal – 700001, India

Dear Sirs,

Sub: Statement of possible Special tax benefit ('the Statement') available to Cabcon India Limited and its shareholders prepared in accordance with the requirements under Schedule VIII Part A Clause (VII) (L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended (the 'Regulations')

We hereby confirm that the enclosed annexure, prepared by Cabcon India Limited ('the Company") states the possible special tax benefits available to the Company and the shareholders of the Company under the Income – tax Act, 1961 ('Act') or any other law, presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the company may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and do not cover any general tax benefits available to the Company. Further, these benefits are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that this statement is only intended to provide general information to the investors and hence is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue.

Our confirmation is 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.

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

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

The enclosed annexure is intended solely for your information and for inclusion in the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus or any other issue related material in connection with the proposed issue of equity shares and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For SRB & Associates Chartered Accountants

Firm Registration No.: - 310009E

Sd/-Biswanath Paul Partner

Membership No. 068186 Place: Kolkata, West Bengal

Date: May 19, 2018



#### **ANNEXURE**

Statement of Possible Special Tax Benefits available to the Company & its Shareholders under the Income tax Act, 1961 ('Act') or any other tax law presently in force in India

# PART A

# I. Benefits available to the Company

There are no special tax benefits available to the Company.

# II. Benefits available to the Shareholders

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

For SRB & Associates Chartered Accountants

Firm Registration No.: - 310009E

Sd/-

**Biswanath Paul** 

Partner
Membership No. 068186
Place: Kolkata, West Bengal

Date: May 19, 2018



#### SECTION IV – ABOUT THE ISSUER COMPANY

#### INDUSTRY OVERVIEW

The information in this section is derived from industry sources and government publications. None of the company and any other person connected with the Issue have independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current of reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors should not place undue reliance on this information.

#### Global Economy: An Overview

The global economy is experiencing a cyclical recovery, reflecting a rebound in investment, manufacturing activity, and trade. This improvement comes against the backdrop of benign global financing conditions, generally accommodative policies, rising confidence, and firming commodity prices. Global GDP growth is estimated to have picked up from 2.4 percent in 2016 to 3 percent in 2017, above the June forecast of 2.7 percent. The upturn is broad based, with growth increasing in more than half of the world's economies. In particular, the rebound in global investment growth—which accounted for three quarters of the acceleration in global GDP growth from 2016 to 2017—was supported by favorable financing costs, rising profits, and improved business sentiment across both advanced economies and emerging market and developing economies (EMDEs). This synchronous, investment-led recovery is providing a substantial boost to global exports and imports in the near term.

In advanced economies, growth in 2017 is estimated to have rebounded to 2.3 percent, driven by a pickup in capital spending, a turnaround in inventories, and strengthening external demand. While growth accelerated in all major economies, the improvement was markedly stronger than expected in the Euro Area.

Growth among EMDEs is estimated to have accelerated to 4.3 percent in 2017, reflecting firming activity in commodity exporters and continued solid growth in commodity importers. Most EMDE regions benefited from a recovery in exports. The improvement in economic activity among commodity exporters took place as key economies—such as Brazil and the Russian Federation—emerged from recession, prices of most commodities rose, confidence improved, the drag from earlier policy tightening diminished, and investment growth bottomed out after a prolonged period of weakness. Nonetheless, the estimated pace of growth in commodity exporters in 2017, at 1.8 percent, was still subdued and not enough to improve average per capita incomes, which continued to stagnate after two consecutive years of contraction.

Global growth is projected to edge up to 3.1 percent in 2018, as the cyclical momentum continues, and then slightly moderate to an average of 3 percent in 2019-20. This broadly steady forecast masks marked differences between the outlook for advanced economies and EMDEs. Growth in advanced economies is projected to slow, as labor market slack diminishes and monetary policy accommodation is gradually unwound, moving closer to subdued potential growth rates, which remain constrained by aging populations and weak productivity trends.

Conversely, growth in EMDEs is expected to accelerate, reaching 4.5 percent in 2018 and an average of 4.7 percent in 2019-20. This mainly reflects a further pickup of growth in commodity exporters, which is forecast to rise to 2.7 percent in 2018 and to an average of 3.1 percent in 2019-20, as oil and other commodity prices firm and the effects of the earlier commodity price collapse dissipate. Growth in commodity importers is projected to remain stable, averaging 5.7 percent in 2018-20, as a gradual slowdown in China is offset by a pickup in some other large economies. Within the broader group of EMDEs, growth in low-income countries is projected to rise to 5.4 percent in 2018 and to 5.6 percent on average in 2019-20, as conditions gradually improve in oil and metals-exporting economies.

Despite the projected firming of activity among EMDEs over the forecast horizon, their underlying potential growth—which has fallen considerably over the past decade—appears likely to further decline over the next 10 years, reflecting a more subdued pace of capital accumulation, slowing productivity growth, and less favorable demographic trends.



Although risks to the global outlook continue to be tilted to the downside, they are more balanced than in previous forecast exercises. This is mainly due to the possibility of stronger than-expected growth in the largest advanced economies and EMDEs—reflecting, for instance, a more pronounced investment-led recovery in the United States and the Euro Area, or a faster rebound in large commodity exporters. If these positive surprises were to materialize, they could have beneficial international spillovers.

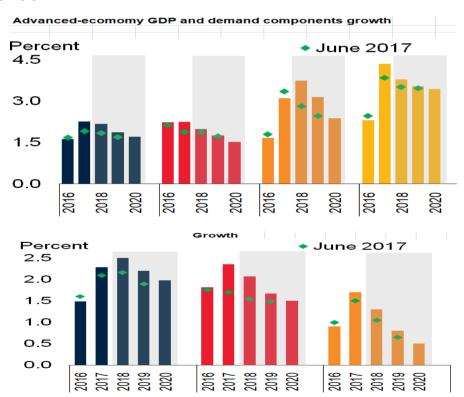
(Source: <a href="https://openknowledge.worldbank.org/bitstream/handle/10986/28932/Global-Economic-Prospects-Jan-2018-Ch1.pdf">https://openknowledge.worldbank.org/bitstream/handle/10986/28932/Global-Economic-Prospects-Jan-2018-Ch1.pdf</a>)

# Recent developments and outlook

Growth in advanced economies strengthened in 2017, reaching an estimated 2.3 percent—0.4 percentage point above previous forecasts—helped by a recovery in capital spending and exports. The pickup in investment reflected increased capacity utilization, favorable financing conditions, and rising profits and business sentiment. Confidence was supported by the fact that policy uncertainty, albeit still elevated, diminished during the year.

Consumption growth was stable, as continued labor market improvements offset the dampening impact of a rebound in energy prices. The recovery was substantially stronger than expected in the Euro Area and, to a lesser degree, in the United States and Japan. Despite the strengthening of activity, inflation in advanced economies remained subdued in 2017.

Over the forecast horizon, advanced-economy growth is expected to moderate slightly in 2018, to 2.2 percent, and to average 1.8 percent in 2019-20—close to the upper bound of potential growth estimates. This path reflects the unwinding of a cyclical upturn in investment and further normalization of monetary policy, as advanced economy output gaps close.



(Source: <a href="https://openknowledge.worldbank.org/bitstream/handle/10986/28932/Global-Economic-Prospects-Jan-2018-Ch1.pdf">https://openknowledge.worldbank.org/bitstream/handle/10986/28932/Global-Economic-Prospects-Jan-2018-Ch1.pdf</a>)

#### **Review of Indian Economy**

Economic growth is projected to strengthen to above 7%, gradually recovering from the transitory adverse impact of rolling out the Goods and Services Tax (GST) and measures to choke off the black economy, including demonetization. In the longer run, the GST will boost corporate investment, productivity and growth by creating



a single market and reducing the cost of capital equipment. Investment will be further supported by the plan to recapitalize public banks and by the new road plan.

Recent measures to digitize the economy and improve tax compliance should boost tax revenue in the medium term. They are accompanied by an increase in public pensions and wages, as well as debt write-offs in some states, resulting in a broadly neutral fiscal stance over the projection period. Given the high public debt-to-GDP ratio, increasing social infrastructure, such as health and education, will require raising more property and income tax revenue. With inflation expectations adjusting down, there could be room for further cuts in interest rates if inflation durably remains below 4%.

Non-performing loans have increased, largely reflecting recognition efforts, and are particularly high in public banks. Steps have been taken to clean up banks' balance sheets, giving creditors more control over the stressed entities. A new bankruptcy law is also being implemented. The large recapitalization plan for public banks should be accompanied by governance reform. External debt remains low and foreign exchange reserves have increased, reducing vulnerabilities.

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

The fiscal deficit for the first eight months of 2017-18 reached 112 percent of the total for the year, far above the 89 percent norm (average of last 5 years), largely because of a shortfall in non-tax revenue, reflecting reduced dividends from government agencies and enterprises. Expenditure also progressed at a fast pace, reflecting the advancing of the budget cycle by a month which gave considerable leeway to the spending agencies to plan in advance and start implementation early in the financial year. Partially offsetting these trends will be disinvestment receipts which are likely to exceed budget targets.

GST revenue collections are surprisingly robust given that these are early days of such a disruptive change (See Box 7). Government measures to curb black money and encourage tax formalization, including demonetization and the GST, have increased personal income tax collections substantially (excluding the securities transactions tax). From about 2 percent of GDP between 2013-14 and 2015-16, they are likely to raise to 2.3 percent of GDP in 2017-18, a historic high. Precise estimates of the government's contribution to this improvement vary depending on the methodology used. An econometric exercise yields an estimate of Rs. 40,000 Crores over the two fiscal years of 2016-17 and 2017-18.

(Source: Economic Survey Report 2017-18, Ministry of Finance, Government of India)

# **Industry Competitiveness**

While the performance of the domestic electrical industry has been strong over the last decade, it is important to maintain sustained high rate of growth if it has to meet the demand arising out of the targeted generation capacity addition, meet the growth of other sectors of economy and also become globally competitive and increase exports. Therefore, it is important to provide a level playing field in the country to domestic EE manufacturers vis-à-vis foreign manufacturers, who are enjoying support from their respective governments with respect to subsidies on raw material, incentives for export, low cost of funds, better infrastructure, etc.

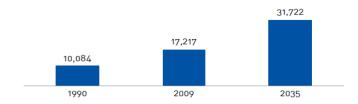
Indian industry can be supported by levying a higher import duty on electrical equipment, allowing import of cold rolled grain oriented (CRGO) electrical steel at zero customs duty, replacing the L1 criteria of procurement by power utilities in India with two part bidding, augmenting domestic testing facilities to cover the type testing of all equipment, mandating type testing of imported small equipment in Indian labs, supporting SMEs in technology up gradation and testing, standardization of product ratings and specifications, keeping a provision for type testing of small equipment picked up from site, etc.

The government also needs to support the industry by providing funds at globally competitive rates of interest and help industry to establish clusters of electrical and component manufacturers and provide them funds for technology up gradation. Foreign suppliers of heavy equipment may also be insisted upon to set up phased manufacturing facilities in India.

#### **Global Power & Electrical Equipment Industry**

World Electricity Consumption in Terawatt Hours (TWh)





## 1. Global Electricity Market

The demand for electricity worldwide is projected to grow at an annual rate of 2.4% for the period 2009–2035, driven by economic and population growth. Over 80% of the growth between 2009 and 2035 is expected to be in non-OECD countries.

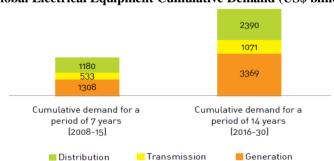
#### 2. New Capacity and Investment in Power Infrastructure

- The world's installed power generation capacity is projected to rise from 4,957 GW in 2009 to about 9100 GW in 2035. The total gross capacity addition is expected to amount to 4,100 GW over the period, with 48% of this addition planned for installation by 2020.
- The cumulative investment during 2009–2035 is expected to amount to US\$ 16.9 trillion, with US\$ 9.8 trillion needed in generation and US\$ 7.1 trillion in T&D.

## 3. Global Electrical Equipment Industry

- The global heavy electrical equipment market, including boilers, turbines, generators, wind turbines, solar power systems, etc..
- The global T&D equipment market, including electric power cables, transformers, electrical switchgear, transmission line towers, conductors, control equipment, meters, etc.

The global EE market is expected to increase from a cumulative size of more than US\$ 3 trillion (2008-15) to US\$ 6.8 trillion (2016-30). This translates into around 2% CAGR over the long term.



Global Electrical Equipment Cumulative Demand (US\$ billion)

#### (Source:

 $\frac{http://dhi.nic.in/writereaddata/Content/Indian\%20Electrical\%20Equipment\%20Industry\%20Mission\%20Plan\%202012-2022.pdf)$ 

#### **Indian Power and Electrical Equipment Industry**

Power is a necessary fuel for a growing economy. The Indian economy is on a rising path targeting GDP growth rate of 8-9%. To achieve this growth, it is imperative that proper power infrastructure is in place. India has the fifth-largest generation capacity in the world with an installed capacity of over 211 GW, as on 31st January, 2013 and is also the sixth largest electricity consumer, accounting for 3.4% of total global consumption. India's per capita consumption of electricity was 879 kWh in 2011-12.

The industrial sector, due to increasing capacity additions, has the highest demand for electricity across all sectors and is expected to remain high. The domestic and commercial sectors are likely to experience a steady increase in demand for electricity, but the share of agriculture is expected to see a decline in the coming years.



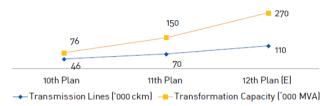
(Source:

http://dhi.nic.in/writereaddata/Content/Indian%20Electrical%20Equipment%20Industry%20Mission%20Plan%202012-2022.pdf)

#### **Transmission & Distribution**

- Investment in new technology and modernization, like 1,200 kV transmission lines, +/-800 kVDC transmission, planning of smart grid projects and establishment of the national grid by the Power Grid Corporation of India are major steps towards efficient utilization of energy by evacuating electricity from power surplus regions to meet demand in power deficit regions.
- The transmission segment plays a key role in transmitting power to various distribution entities across India. The inter-regional capacity at the end of the 11th Plan was 28 GW. During the 12th Plan, total transmission substation capacity addition is expected to be 270,000 MVA, while 110,340 circuit kilometres (ckm) of transmission lines are expected to be added. With this, the inter-regional transmission line carrying capacity at the end of the 12th Plan is expected to increase to 66 GW.

#### **Transmission Additions**



(Source:

http://dhi.nic.in/writereaddata/Content/Indian%20Electrical%20Equipment%20Industry%20Mission%20Plan%202012-2022.pdf)

The All-India installed power generation capacity has increased substantially over the years and reached 330860.6 MW as on 30th November, 2017. The peak deficit i.e. the percentage shortfall in peak power supply vis-à-vis peak hour demand, has declined from around 9 per cent in 2012-13 to 1.6 per cent during 2016-17, although slightly higher at 2 per cent during April-September 2017-18.

Despite these achievements in power generation capacity enhancement, the bottleneck continues in distribution of power supply, as discussed in the Economic Survey 2016-17 Vol II, Chapter 8. Programmes have been taken up to address improvement in performance of distribution companies so that the ambitious plan to provide electricity for all by 2019 can be achieved.

There were 18542 un-electrified census villages reported by the states as on 1st April 2015. As on 30th November 2017, electrification in 15183 villages has been completed and 1052 found to be uninhabited. The remaining 2217 villages are expected to be electrified by May 2018.

In order to enhance power supply in rural areas, Deen Dayal Upadhyaya Gram Jyoti Yojana was launched in December 2014 to extend financial assistance for capital expenditure by distribution companies (discoms) for strengthening and augmenting distribution infrastructure, including metering, in rural areas. The estimated outlay for the scheme is Rs 43033 crore. In addition, the approved outlay of Rs 39275 crore of erstwhile Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY) has been carried forward to this scheme. The scheme is being implemented by the States and their discoms with support from Central Government to the tune of 60 per cent in 'General Category' States and 85 per cent in 'Special Category' States.

A new scheme, Saubhagya (Pradhan Mantri Sahaj Bijli Har Ghar Yojana), was launched in September 2017 to ensure electrification of all remaining willing households in the country in rural and urban areas with an outlay of Rs 16320 crore. The scheme envisages electrification of around 4 crore households that do not have electricity connection by March 2019. For unelectrified households located in remote and inaccessible areas, solar photo voltaic based standalone systems with power packs of 200-300 Watt with battery backup are to be provided to allow maximum of 5 LED Lights, one DC fan, one DC power plug along with repairment and maintenance for five years. The prospective beneficiary households would be identified using Socio Economic Caste Census (SECC) 2011.



Integrated Power Development Scheme was approved in November 2014 with a total outlay of Rs 32612 crore including budgetary support of Rs 25354 crore from Government of India. Upto end November 2017, projects worth Rs 26930 crore covering 3616 towns has already been sanctioned and state utilities are awarding the works.

Government has also approved establishment of a National Smart Grid Mission in power sector to plan and monitor implementation of programmes related to smart grid activities in India with a budget allocation of Rs 30 crores for 2017-18.

As discussed in detail in Economic Survey 2016-17, Vol II, the Government launched the Ujjawal DISCOM Assurance Yojana (UDAY) in November 2015 envisaging reduction in interest burden, cost of power and aggregated technical and commercial losses. 31 states/UTs have already come under UDAY. The primary focus has been on billing and collection efficiency of DISCOMS that has increased to 82 per cent by the first quarter of 2017-18. The states need to focus on reducing their technical and commercial losses (AT&C) through tariff revisions. However, the higher tariffs face potential threat from lower solar and wind prices. Latest estimates indicate solar energy price of Rs 2.5 per kwh and wind energy price of Rs 3.4 per kwh.

(Source: Economic Survey Report 2017-18, Ministry of Finance, Government of India)

#### **National Energy Policy: NITY Aayog**

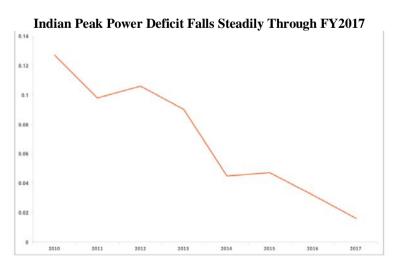
India's draft national energy policy looks at the country's energy needs through 2040, based on a report and road map released in July 2017 by NITI Aayog, the Indian government's in-house think tank. That report focuses on renewable energy; drastic reductions in emery intensity; a doubling of per capita energy consumption and a tripling of per capita electricity consumption; 100% electrification; clean-cooking coverage by 2022; and reduced fossil fuel imports. The draft policy stresses efficiency, technology, regulatory oversight, effective engagements with overseas investors, air quality considerations, and human resource development across the energy domain.

This policy incorporates the 2022 targets with India's NDC (nationally determined contribution) for which the target year is 2030.

The draft policy concludes that India will be largely self-sufficient in thermal coal supply through 2037, with domestic production forecast to peak at 1,200-1,300 million tonnes per annum, a forecast that IEEFA sees as flawed, given how wind and solar are already the low-cost source of new generation supply.

(Source: <a href="http://re.indiaenvironmentportal.org.in/files/file/India-Electricity-Sector-Transformation.pdf">http://re.indiaenvironmentportal.org.in/files/file/India-Electricity-Sector-Transformation.pdf</a>)
Grid Stability, Transmission & Discoms

India has made substantial progress in improving its energy-system efficiency over the last three years. This is best illustrated by the reduction in the peak power deficit since 2009/10, from more than 12% to just 1-2% in 2016/17, with regular periods of surplus in the New Year.





With the expected doubling of electricity demand over the coming decade, India's transmission and distribution system will require significant expansion. A\$200 bn investment program through 2030 would create the opportunity for India to establish an internationally connected smart grid capable of managing a doubling of power demand and incorporating much greater diversity in electricity generation, including distributed rooftop solar and battery storage. This would require India's distribution system reform program (Ujwal DISCOM Assurance Yojana, or UDAY) to be successfully carried through to completion, and in the process end the largely unfunded US\$10bn annual distribution company (Discom) electricity subsidy.

# (Source: <a href="http://re.indiaenvironmentportal.org.in/files/file/India-Electricity-Sector-Transformation.pdf">http://re.indiaenvironmentportal.org.in/files/file/India-Electricity-Sector-Transformation.pdf</a>) Grid Stability

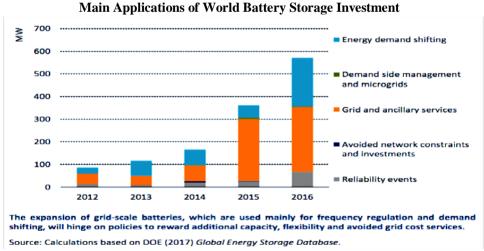
India's draft 10-year National Electricity Plan has thermal power's share of total generation capacity falling from 67% as of March 2017 to 43% by March 2027. Renewable energy's share of installed capacity is forecast to rise from 18% in 2017 to 43% by 2027. This change will require India's grid transmission and distribution structure to not only have to deal with a significant increase in electricity demand in the coming decade, but will also have to accommodate greater distributed and renewable energy generation plus smart-grid requirements.

India's large existing hydroelectric generation fleet (44.5 GW as of March 2017) and 25 GW of gas-fired generation capacity provide existing peaking capacity. Greater reliance on pumped hydro storage and the expansion of concentrated solar thermal (CSP) will be required.

Strengthening the national grid in a country that has largely been separated into five regional grids since the 1990s is another key requirement, as are enhanced connections with neighboring countries.

In addition, the development of a smart grid in the coming decade will facilitate demand-response management capacity, and enable the country to take full advantage of the rollout of electric vehicles and their associated collectively massive, distributed lithium ion battery storage.

IEEFA is certain that technology innovation and convergence across transport, building and electricity markets will create profound change by 2027. Over the coming decade, IEEFA expects battery storage to play a significantly greater role in India's electricity sector. The July 2017 announcement by the South Australian government that it will install a 100MW / 129MWh Tesla lithium ion battery storage facility (due online by December 2017) is a globally significant development, building on similar progress in California. The IEA concurs, stating in its World Energy Investment 2017 outlook that "grid-scale storage is seen as an important potential source of reliability and flexibility, and batteries have received a lot of attention due to their modularity and recent rapid technology development."



(Source: http://re.indiaenvironmentportal.org.in/files/file/India-Electricity-Sector-Transformation.pdf)

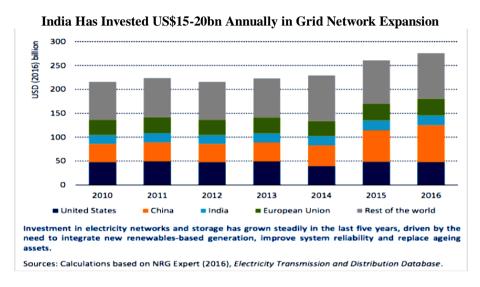
## **Grid Transmission**

Given the expected growth of the Indian economy and hence the need for additional generation capacity, India would do well to continue its ongoing expansion and modernization of its transmission network.



The value of projects commissioned between 2014-17 is 83% more than those commissioned between 2011-14, and there has been a 40% increase in India's transmission capacity between 2014-17 alone.

India has invested US\$15-20bn annually in network expansion since 2010. This investment has helped facilitate the transition from five independent regional grids in 1990 to a nationally connected structure today, along with a small but growing international connectivity. India is now linked to Bhutan and Bangladesh, and there are plans to expand international connectivity tenfold over the coming decade, potentially adding Nepal and Sri Lanka to better integrate renewable and enhance energy security.



India is also in the process of commissioning two of the world's longest high voltage direct current (HVDC) grid transmission capacity facilities at Champa and North-East Agra to better integrate renewable energy capacity and strengthen the national grid

India Has Successfully Established National Grid Transmission Connectivity

Significant Large-scale electricity transmission projects outside China						
Project Name	Geography	Technology	Length (km)	Voltage (kV)	Status	
Champa	India	UHVDC	1,365	800	Commissioned	
North-East Agra	India	UHVDC	1,728	800	Under construction	
Rio Maderia	Brazil	HVDC	2,375	600	Commissioned	
Nordic Europe projects connecting to mainland	Europe	HVDC	1,598	Various	Different stages	
North Sea Link	Europe	HVDC	720	525	Under construction	
Plains and Eastern Clean Line	United States	HVDC	1,127	600	Under development	
Rock Island Clean Line	United States	HVDC	805	600	Under development	

Wind and solar power projects enjoy "must run" status under the Indian Electricity Grid Code (IEGC) and have to be scheduled for dispatch before any other source of power, but there have been instances in a few states, particularly Tamil Nadu and Rajasthan, where grid curtailments for renewables have been observed.

(Source: <a href="http://re.indiaenvironmentportal.org.in/files/file/India-Electricity-Sector-Transformation.pdf">http://re.indiaenvironmentportal.org.in/files/file/India-Electricity-Sector-Transformation.pdf</a>)

#### **Generation Demand Scenario**

# 4. Energy Resources in India

The natural resources for electricity generation in India are unevenly dispersed and concentrated in a few pockets. Hydro resources are located in the Himalayan foothills and in the north-eastern region (NER). Coal reserves are concentrated in Jharkhand, Orissa, West Bengal, Chhattisgarh, parts of Madhya Pradesh, whereas lignite is located in Tamil Nadu and Gujarat. North Eastern Region, Sikkim and Bhutan have vast untapped hydro potential estimated to be about 35000 MW in NER, about 8000 MW in Sikkim and about 15000 MW in Bhutan.

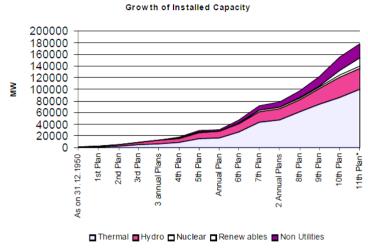
The distribution of energy resources and consumption centres are extremely unbalanced. The load centres are scattered at far-off places away from resource rich areas. Recent government initiatives for establishment of



special economic zones have also given rise to new potential load centres. Projects are proposed to be located mostly at pit head/resource areas with each location having capacities in the range of 5,000-10,000 MW.

# 5. Growth of Installed Capacity

The power sector as a whole has shown significant progress in physical terms and to meet the ever-growing demand is leading way to more encouragement to private sector participation since 90's.

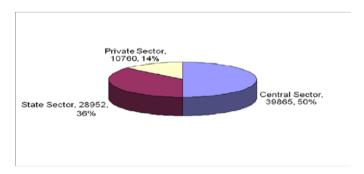


# 6. Feasible Capacity Addition during XI Plan and XII Plan

As against the 11th Plan(2007-2012) target of 78700 MW set by the Planning Commission, the CEA has, on the basis of preparedness of the projects, revised the feasible capacity addition target for the 11th Plan to 80010 MW as shown below-

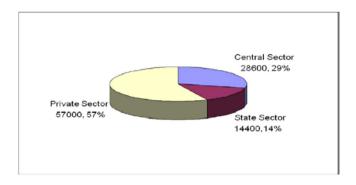
Status	Central sector	State sector	Private sector	Total(MW)
Commissioned	3990	7094	1633	12717
Under Construction	29540	18269	19484	67293
Total	33530	25363	21117	80010

# Capacity Addition in 11th Plan



Capacity addition target of 78,700MW by 2012

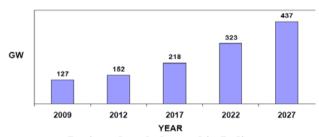




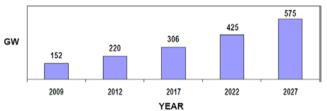
# Capacity addition target of 1,00,000 MW by 2017

#### **Demand**

Electricity sector in India is growing at rapid pace. The present Peak Demand is about 1,15,000 MW and the Installed Capacity is 1,52,380 MW with generation mix is thermal (63%), hydro (25%), Nuclear (9%) and renewables (9%). The projected Peak Demand in 2012 is about 150 GW and in 2017 is more than 200 GW. The corresponding Installed capacity requirement in 2012 is about 220 GW and in 2017 is more than 300 GW. The projected Peak Demand and the Installed Capacity Requirement in next 15 years as shown below-



Projected peak demand in India



**Projected Installed Capacity Requirement** 

## (Source:

 $\frac{http://npti.in/Download/Transmission/World\%20Energy\%20Council\%20Report\%20on\%20T\&D\%20in \\ \underline{\%20India.pdf})$ 



#### **OUR BUSINESS**

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

Unless otherwise stated, or the context otherwise requires, the financial information used in this section is derived from our Restated Financial Statements included in this Draft Red Herring Prospectus on page 189.

# Overview

We are an established ISO 9001-2015 certified Manufacturer, Supplier & Exporter of all types of Aluminum conductors, LT Power & Control and LT AB Cables in the field of Electrical Transmission & Distribution lines. We are currently engaged in the manufacturing and trading of AAC, ACSR, AAAC & all aluminium Conductors and all types of LT XLPE / PVC, LT AB Cables & power cables in India. In 2010, our company has also diversified its operations and established EPC division for execution of turnkey projects for installation of power distribution lines and sub-stations in the field of rural electricity infrastructure & rural household electrification in villages of various states of India under different prodrammes of the Government of India.

Our manufacturing facilities of our company are located at Kolkata and Howrah, West Bengal. We have developed infrastructure that helps our team to manage and carrying out business operations in a precise manner. High speed modern machines for manufacturing of Overhead Conductors and LT Power & Control Cables and LT AB Cables are installed in our manufacturing units. Our company set up its first Conductor unit in the year 1993 at Kolkata. Subsequently, Unit-II was set up in the year 2006 at Dhulagarh Industrial Park, Howrah, West Bengal to cater the growing demands of Conductors with an enhancement & modernization in production facility and adding the range of products for Conductors and LT Cables in all specified varieties. To carter the increasing demand the production capacity was further increased with modernization in production facility and adding the range of Products of Conductors and LT Cables in all specified varieties.

We are recognised as an established vendor for supply of Conductors & Cables with PGCIL, NTPC, NHPC, DVC, all State Electricity Boards, DISCOMs, Power Utility and almost all EPC contractors viz L&T, Bajaj, Kalpataru Power, Godrej, KEC International, etc. in our Country and other countries overseas. We have been awarded by Power Grid Corporation of India Ltd. as winner, under Category MSME Vendor – Conductors at Felicitations 2018 ceremony at New Delhi on May 25, 2018 for supply of Conductors.

We have successfully commissioned Rural Electrification Projects in the state of Meghalaya, West Bengal, Madhya Pradesh & Bihar (North & South) under different Flagship Programmes of Government of India.

Our revenue from operations (gross) was ₹ 41106.99 Lacs (net revenue from operations was ₹ 40792.13Lacs), ₹ 35241.39 Lacs (net revenue from operations was ₹ 31088.18 Lacs) in fiscals 2017, 2016 and 2015, respectively, in terms of our Restated Financial Statements. The profit after tax of our company as per the restated financial statements for the fiscal 2017, 2016 and 2015 is 649.22 lacs, 457.67 lacs and 383.75 lacs respectively. Over the last 3 years the revenue of our company from operations has grown at the pace of 14.44 %.

#### **Certification & Rating:**

- ISO 9001:2015 for Management System Certified by BUREAU VERITAS of India Ltd
- Credit Rating of our Company has been upgraded to BBB (Triple B) by Brickwork rating.

#### **Awards & Recognition:**

Our company has been awarded with "Certificate of Appreciation" by The Bihar State Power Holding Company Limited, in recognition of Excellence in Performance in Rural Electrification Projects of the Government. A special programme was organized on December 27, 2017 at Patna for this purpose wherein the "Prashasti Patra" was handed over to Mr Madan Mohan Fomra & Mr Vijay Kumar Fomra by Mr. Bijendra Prasad Yadav, the



Honourable Power Minister, Government of Bihar & Mr. Nitish Kumar, the Honourable Chief Minister, Government of Bihar.

#### **Our Products & Services**

The product portfolio of our company consists of three products namely overhead conductors, Electric cable and wire rods.

**1. Overhead Conductor**: - Overhead Conductor is used for transmission of electric power through large distance. The type of conductor includes:-

All Aluminum Conductor (AAC)	All Aluminum Conductor is highly acclaimed among core customer for its high strength and optimum current carrying capacity. It is adopted by many clients for distribution and transmission lines.
All Aluminium Alloy Conductors (AAAC)	These are made from high strength Aluminum Magnesium Silicon Alloy. The All Aluminum Alloy Conductor are having lighter weight, high strength and high current carry capacity, lower electrical losses and superior corrosion resistance.
Aluminium Conductors Steel Reinforced (ACSR)	These are concentrically stranded conductor with one or more layer of hard drawn aluminum wire with galvanized steel core wire. The core wire may be single or stranded depending on the size of the conductors.
Aluminium Alloy Conductors Steel Reinforced (AACSR)	It is a concentrically stranded conductor with one or more layers of hard drawn AL-MG-SI. Alloys stranded with high strength coated steel core. It is having approx 50% more strength in comparison to ACSR conductor.

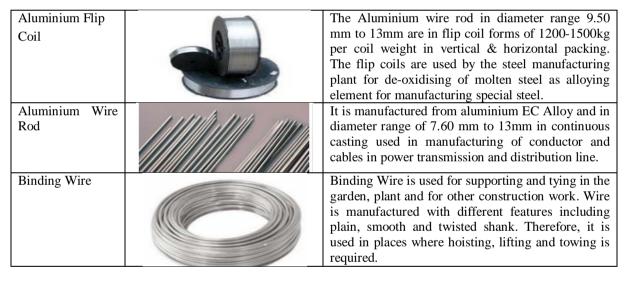
2. Electric Cable: - The Cables are used for transmission of electric power or for use in control units, there are various types of cables based on the type of insulation used namely viz, XLPE, PVC, which are widely used in India. We manufacture LT power & Control cables both of PVC and XLPE. Both copper and aluminum are used for manufacturing of cables depending upon the application and customer requirement. Our Electric Cable is fabricated with the combination of two or more wires that run side by side and get twisted, braided or bonded together to form a cable.

LT Power Cable	It consists of aluminum/Copper conductor with PVC/XLPE insulated, laid up inner sheathed unarmored/armored PVC outer sheathed. LT Power Cable is designed to get installed in different residential, commercial buildings, electrical installations and communication panel system.
LT Control Cable	It consists of Copper conductor with PVC/XLPE insulated, laid up inner sheathed armoured/unarmoured and PVC outer sheathed. Normally it is either 1.5 Sq.mm or 2.5 Sq.mm and can be manufactured upto 61 core.



Aerial Bunch Cable	Aerial Bunch Cable (AB) is used for over head power distribution when compared to the conventional bare conductor in over head distribution system. AB Cable provides higher safety and reliability, lower power losses and ultimate system economy by reducing operative cost. XLPE insulated power conductors of aluminum are laid together twisted around an aluminum alloy bare or insulated messenger wire to form AB Cables. These cables are directly strung on distribution poles by means of hardware.
Concentric Cable	Concentric Cable also known as anti-robbery cable. This is constructed in such a way that there is no use of claws and is surrounded by phase like a wire that does not permit any contact with central phase. Therefore, this is used by distribution network operators that links electrical network to any home and business.

**3. Wire Rod**: - Wire Rod is fabricated to be used in industries like automobile, engineering, welding, machining, bearings, jewellery and cosmetics. This rod is defined as a hot rolled wire with different diameters that is manufactured on special wire mills or combination wire rod section mills, where it get wounded into coils.



**EPC Projects:** Under the Engineering, Procurement and Construction (EPC) we are entrusted with the responsibility for all the activities from design, procurement, construction, to commissioning and handover of the project to the client. With the growing need for infrastructural development and the focus of the government EPC Project have become significant components of our turnover. We have set up a separate EPC Division exclusively to focus/ handle Trunkey Projects relating to development of Rural Electricity Infrastructure and Electrification under various schemes and yojanas of the Government launched from time to time such as the Rajiv Gandhi Gramin Vidyutikaran Yojana (RGGVY) & Backward Region Grants Fund (BRGF).

Below are the details of some of the projects which have been undertaken by our company under the EPC during the past years.

Sr.	Location	Project Description	Amount (in ₹ Lacs)
no.			
1.	Bankura District, West Bengal	Supply, erection and testing of distribution Substation and LT lines under BRGF Scheme	1632.54
2.	Dakshin Dinajpur, West Bengal	Supply, erection and testing of distribution Substation and LT lines under BRGF Scheme	1646.89



3.	Jalpaiguri, West Bengal  Supply, erection and testing of distribution Substation and LT lines under BRGF Scheme		837.03
4.	Coochbehar, Jalpaiguri, Uttar Dinajpur and Dakshin Dinajpur Dist, West Bengal  Supply, erection and testing of installations under Rural Electricity Infrastructure and Household Electrification.		3843.30
5.	East Garo Hills	Supply, erection and testing on village electrification including installation of 11 KV & LT lines, DTs including DT metering and service to BPL consumers under RGGVY scheme	3677.05
6.	West Garo Hills	Supply, erection and testing on village electrification including installation of 11 KV & LT lines, DTs including DT metering and service to BPL consumers under RGGVY scheme	3576.73

## **Projects under Execution**

As on March 31, 2018, EPC contracts value (LOA value) worth Rs 1200.00 Crores are under progress and the said projects are expected to be completed during the year 2018 and 2019. Currently the following projects are in process in the Katihar, Araria, Purnia, Kishanganj, Nalanda, Nawada, Tura, Jaintia Hills, East Khasi Hills, Bhojpur, Gaya, Sitamari and Raiganj Districts in the states of Bihar, Meghalaya, Madhya Pradesh and West Bengal.

#### Order Book - Manufacturing

As on March 15, 2018, Our Company has an order book (LOA value) of over Rs 500 Crores which are currently under process. The orders have been intrusted on our Company by companies like Power Grid, Larsen & Toubro Limited, Goderj & Boyce Mfg. Co. Ltd., Kalpataru Power Limited, NCC limited, Ounj Lloyd, Tata Projects Limited etc and state run electric companies like Jharkhand Bijli Vitran Nigan Limited, Dakshinanchal Vidhut Vitran Nigan Limited, Purvanchal Vidhut Vitran Nigan Limited, Punjab State Power Corporation Ltd., Chattisgarh State Power Distribution Co. Ltd, Manipur State Power Distribution Co. Ltd etc.

#### **Our Competitive Strengths**

We believe that the following are our primary competitive strengths:

### 1. Quality Assurance

Delivering Quality products and making on time delivery is one of our prime objective. We dedicate resources for quality assurance to ensure that quality norms are continually met. We have in house equipments for testing of the product at each step of manufacturing process to ensure that our quality standards are met throughout the process. Further all our products matches up to the customer requirements which are very important for customer satisfaction. The final product manufactured has to undergo a quality check before it is finally packed and dispatch. We also have quality control checks before any consignment of Raw material is accepted since it has a direct impact on the quality of Finished Product. Further, we also take all necessary steps for the maintenance of quality under the EPC projects undertaken by us.

### 2. Customer Satisfaction

Customer satisfaction is very important for the growth of any business. Our long-standing relationship with our major customers has been one of the most significant factors contributing to our growth. Our commitments to quality and customer service practices have been strong contributing factors to our robust customer relations. Over the years, we have steadily developed a robust base of customers. Due to our relationship with our customers we have continually received repeat business from many of our customers. This indicates their level of confidence in our ability to deliver our products and services. Because of the trust of our customers we have been able to attain orders from a diverse range of client base.

#### 3. Wide range of Products



Our diverse range of cables and conductors is capable to withstand extreme conditions and is made available in different sizes and specifications for catering to the specific needs of our clients. We supply cables across various industries to various organizations of diverse sectors such as- Industrial, Exports, Turnkey projects, Power Distribution Companies; Infrastructure works etc. in India and abroad. We believe that maintaining a diverse portfolio in our business provides us with an opportunity to cater to diverse needs of different customer segment. Apart from the above we are also engaged in the rural electrification projects undertaken by the Government under various schemes for rural electrification.

#### 4. Experienced management team and skilled workforce

Our management team has played a key role in developing our business and we benefit from their leadership and significant experience in Power and Infrastructure industry. Our experienced management and employees haves successfully expanded our business through proper customization under the guidance of our Promoters and thereby increasing our revenues. Our Promoter Directors, Mr. Madan Mohan Fomra, Mr. Vijay Kumar Fomra and Mr. Shree Ballabh Fomra, have vast experience in field of power and infrastructure sector and have in-depth knowledge of the industry in which we operate. Our Promoter Directors are actively involved in our operations and bring to our Company their vision and leadership which we believe has been instrumental in sustaining our business operations. Our Company feels that the strength of any successful organization lies in the experience and guidance of its team leaders and staff alike. We believe that the familiarity and knowledge we have, of the market and regulatory environment assists us in various aspects of our business.

#### **Our Strategies**

#### 1. Increasing focusing on our EPC business and enhancing execution efficiency.

Our primary focus is to strengthen our market position in India in developing and executing EPC projects in the electrification sector. Over the next few years, we will continue to focus on seeking opportunities to expand our EPC projects in the rural electrification sector. We intend to capitalize on our experience and project execution expertise and continue to selectively pursue EPC projects, both independently and in partnership with other players. We believe that, given the Government's focus on providing electricity to different parts of our country, the sector has high potential for growth and our experience and track record in this business provides us with a competitive advantage in pursuing future opportunities. We intend to continue to focus on efficient project execution by adopting industry best practices and advanced technologies to deliver quality projects to the satisfaction of our clients. We seek to attract and retain qualified personnel and skilled laborers and further strengthen our workforce and provide adequate and skilled manpower to our clients.

#### 2. To Build-up a Professional Organization

We are committed towards building a professional organization. We believe in transparency, commitment and coordination in our work, with our suppliers, customers, government authorities, banks, financial institutions etc. we believe that we have an appropriate mixture of the talent, experience and the sufficient staff for taking care of our day to day operations. We are also committed towards gaining knowledge of the new and improved technologies in order to keep pace with the changes taking place in the market.

#### 3. Optimal Utilization of Resources

Our Company constantly endeavours to improve our process, skill up-gradation of our employees, modernization of infrastructure, equipments and methods of processing. We regularly analyze our existing process and to identify the areas of bottlenecks and correct the same in a timely manner. By taking the timely corrective action we can make optimal utilization of our resources and which will also help us in improving our products & services so as to reap the optimum satisfaction of our clients.

#### 4. Long Term Relationship with Clients

Customer satisfaction and Strong long term relationship with the client is key to success for any organization. Our on time delivery and quality product helps us maintain strong relationship with our customers and also gives us competitive against our peers.



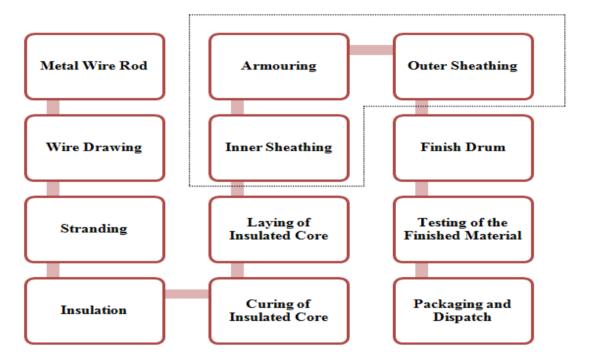
#### **Our Presence**

Registered Office	4A, Pollock Street, Kolkata West Bengal 700001					
Corporate Office	1 <sup>st</sup> floor, Terminus Building BG-12, Action Area 1-B, New town, Rajarhat Kolkata					
	700156 West Bengal					
Factory Unit I	93, Dakhindari Road, Kolkata – 700048 West Bengal					
Factory Unit II	Dhulagarh Industrial Park, PO Kandauh, Dist - Howrah, West Bengal					

Apart from the above we have project office located at Patna, Sitamarhi, Katihar, Araria, Bhojpur, Nalanda, Aurangabad, Arwal, Jehanabad, Tura, Shillong, Jowai, Jabalpur, Katni, Raiganj & Hooghly

#### **Manufacturing Process**

# > Cable Manufacturing Process:-

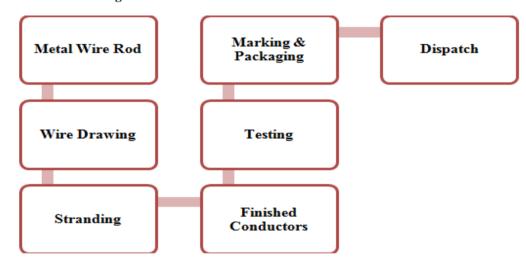


- 1. **Procurement of Raw Material (Metal Wire Rod) -** The major Raw Material used for manufacture of cables and conductors comprise of Aluminium, Copper or Alloys Rod. The first step involved is procurement of this raw material from various suppliers. Procured raw material is inspected for any defect and testing of the quality and quantity checks are conducted.
- 2. **Wire Drawing-** Wire Drawing is a metalworking process used to reduce the cross section of a wire by pulling the rod through a single or a series of drawing die(s). There are many applications for wire drawing, including electrical wiring, cables etc. The rods once inserted into the wire drawing machine are passed through various sections of fixed dimensions. This is to gradually decrease the thickness of the rods turning them into wire. The wires are then tested for wire tensile strength. Testing process enables us to check that the wires are of good quality.
- 3. Stranding- A small wire before concentric stranding adds the most flexibility. Electrical cables may be made more flexible by stranding the wires. In this process, smaller individual wires are twisted together to produce larger wires and are more flexible than solid wires of smaller size. This Stranded group of wires is called conductor. The drawn wires are fed into the stranding machines. Here, a number of wires are stranded together on the stranding machines. These stranded wires are called conductors which are of specified cross-section area. The process of manufacturing conductor is finished at this stage. If a conductor is to be turned into cable, manufacturing process is continued and the below mentioned activities are carried out.
- 4. Core Insulation Core Insulation is a process of placing an insulating cover over the conductor to prevent current leakages. The quality and thickness of an insulation material depends on its voltage rating. Voltage test is used to ensure that there are no faults in insulation. The specially developed PVC Compound/ XLPE Compound used for insulation is resistant to moisture, oils, alkaline, grease and flames and has high



- insulation resistance values. If XLPE insulation required then it is cured in hot water tank under required temperature and time.
- 5. **Laying Up-** In this process the cores so prepared are tied up together. In case of Cables PVC fillers are provided between the gaps to make the cable round.
- 6. **Inner Sheathing-** The laid up cable is surrounded by a common covering either by extrusions or by wrapping of tapes. The normal practice is to use PVC either extruded or taped coverings, the grade of PVC being chosen to be compatible with the temperature rating of the cable.
- 7. Armouring- Galvanized steel wires/ steel tapes is provided over the inner sheath cable for providing mechanical strength to the insulated cores. In case of single core cables, non-magnetic armour of Aluminium, Aluminium Alloy or copper wires are provided. In case of mining cables, double armouring of steel wires/ steel strips are provided.
- 8. **Outer Sheathing** Outer sheath is the outer polymer covering that protects the conductors and their insulation from external elements which may change their electrical properties and also from mechanical aggressions. Outer Sheathing is provided with soft flexible sheathing compound of specified thickness and specification to facilitate not only care in stripping but also to ensure toughness to withstand mechanical abrasions in use. Special PVC Compounds having different properties like fire resistance, fire resistance, low smoke etc. can be used for the outer sheath to suit a variety of environmental and fire risk conditions.
- 9. Final Testing of Finished Material- In order to guarantee high quality required by customers, the cables undergo extensive quality control checks in laboratories, therefore ensuring that all cables are free from defects and ready to be sold. Whereas, in case of cables, the finished lot of cable samples are taken and tested for required physical, mechanical, chemical and electrical properties as per relevant IS specifications.
- 10. **Packing and Dispatch** If the cables meet the customer requirements and specifications, they are sent to the dispatch area for supply. The customer also sent their officials for checking the products before taking the delivery of the same.

#### **Conductor Manufacturing Process:-**



- 1. **Procurement of Raw Material and Inspection** the major Raw Material used for manufacture of cables and conductors comprise of Aluminium, Copper or Alloys Rod. Our manufacturing process is Aluminium or Cooper Rod. The first step involved is procurement of this raw material from various suppliers. Procured Raw Material is opened for inspection and testing of the quality and quantity check.
- 2. Wire Drawing— Wire Drawing is a metalworking process used to reduce the cross section of a wire by pulling the rod through a single or a series of drawing die(s). There are many applications for wire drawing, including electrical wiring, cables etc. The rods once inserted into the wire drawing machine are passed through various sections of fixed dimensions. This is to gradually decrease the thickness of the rods turning them into wire. The wires are then tested in the in-house laboratory for wire tensile strength. Testing process enables us to check that the wires are of good quality.
- 3. Stranding- A small wire before concentric stranding adds the most flexibility. Electrical cables may be made more flexible by stranding the wires. In this process, smaller individual wires are twisted together to produce larger wires and are more flexible than solid wires of smaller size. This Stranded group of wires is called conductor. The drawn wires are fed into the stranding machines. Here, a number of wires are stranded



- together on the stranding machines. These stranded wires are called conductors which are of specified cross-section area. The process of manufacturing conductor is finished at this stage.
- 4. Testing of Conductors- In order to guarantee high quality required by customers, the conductors undergo extensive quality control checks in laboratories. The manufactured conductors are tested in our in-house laboratory as per relevant specifications and are then packed for dispatch.
- 5. Packing and Dispatch— If the conductors meet the customer requirements and specifications, they are sent to the dispatch area for supply. The customer also sent their officials for checking the products before taking the delivery of the same.



# Collaborations/Tie Ups/ Joint Ventures

Our company has executed a joint deeds of undertaking with M/s Bispa India a registered firm under Indian Partnership Act 1932 and having its registered office at Allahabad Bank Building, Hill cart Road, Siliguri-734001 for purpose of making bid and entering into a contract for electrification work at Arania, Kathiar & Kishanganj to be undertaken under EPC under the various scheme of the government like Deendayal Upadhyay Gram Jyoti Yojana (DDUGJY) and Backward Regions Grant Fund (BRGF) etc.

# **Export Obligation:**

Below are the details for the export obligation to be undertaken by our Company as on date of this Draft Red Herring Prospectus:-

Sr. No.	File No.	Advance Authorization No	Date	Amount (In Rs. Lacs)	Obligation Period
1	02/21/040/00332/AM1	210206429	08.01.2016	86.55	18 months
2	02/21/040/00146/AM1	210206865	29.07.2016	89.65	18 months
3	02/21/040/00146/AM17	210207476	17.03.2017	1417.11	18 months
4	02/21/040/00409/AM1	210207457	10.03.2017	1852.92	18 months
5	02/21/040/00079/AM18	210207635	26.05.2017	169.18	18 months
6	02/24/040/00001/AM19	210208382	04.05.2018	308.40	18 months



#### **Capacity and Capacity Utilization**

Below are the details of the installed and the utilized capacity of our company:-

Product		2016	2017	2018	2019	2020	2021
Conductors	Installed Capacity	18000	19500	27000	30000	32000	35000
Conductors (in MT)	Actual Production	16553	17484	21466	26200	28500	31000
(III IVI I)	Utilization	91.96%	89.66%	79.50%	87.33%	89.06%	88.57%
Cables	Installed Capacity	6000	6000	8000	9000	10000	11000
(in MT)	Actual Production	3927	4536	6079	6690	7700	8850
(III IVI I)	Utilization	65.45%	75.60%	75.99%	74.33%	77.00%	80.45%

# Plant & Machinery

The manufacturing facilities have been built with keeping in mind Efficiency, Safety and Environment factors. Our compact factory complex has all the key ingredients for a successful manufacturing unit. We have made all endeavors in procuring top of the line equipment and building that can effectively cater to specific customer needs.

Brief details of major Plant and Machinery installed are as follows:-

Production machinery: - Rewinding machine (Majhi Engineering), Mixture Machine (Mallick Brothers), Hot Air Oven, 80 MM Extruder, 120 MM Extruder, 65 MM Extruder, 4+1 Laying, 4+1 Skip Laying machine, Rod Break Down machine, Skip (7 Strand) machine, Multistrand (54 Bobbin), Multistrand (30 Bobbin), Stranding cum Armouring (42 Bobbin) machine, 45 MM Extruder, Copper Bunching Machine, Leath Machine, Fork Lift, Cold Pressure Butt Welding, Spooling Machine and Curing Chamber.

#### Material

The major raw material used by our company includes Aluminium rod, Copper rod and Alloy rods. These rods are used to draw wires which are used for the manufacturing of the cables and conductors. Apart from this we also purchase PVC and XLPE compound and armouring strips which are used for the strengthening and protection of the cable.

We procure raw materials mainly from domestic markets, However, we also have identified international vendors mainly located Singapore, Malasiya & UAE. We optimize the procurement based on consolidated purchase requirements of our factory units and the project sites to ensure that the cost of procurement and inventory levels are maintained and also ensure that the material is available in time.

# Power & Water

The power requirement of Unit-I is catered from CESC Limited and Unit-II is under the jurisdiction of Power Supply by West Bengal State Electricity Distribution Company Ltd. Apart from this, we have installed our own Diesel Generator set of 200 KVA capacity as back up arrangement in case of failure in supply of power by the utility providers.

We are having water connection from local municipal corporations as well as having our own bore-wells.

#### Health, Safety & Environment

We are committed to protecting the environment in the course of our operations. We have put in place procedures to ensure that our operations comply with relevant environmental regulations. We have a health, safety and environment policy which reaffirms our commitment to provide a safe work place and clean environment to our employees and other stakeholders. Our Factories and operational facilities are also materially compliant with applicable local environmental regulations. We have also made applicable the proper procedure to ensure health, safety and environment protection measures at the project sites and are committed for the health and safety of our employees.



#### Sales and Marketing

We are engaged in the business of manufacturing of Aluminum, Copper and Aluminum Alloy cables and conductors, apart from this we are also engaged in the business of undertaking EPC contacts for rural electrification. Most of our business and orders are awarded after tendering process. To retain our clients we regularly interact with them to gain insight into customized product requirements and bring innovation into our product offerings. Further, we are also committed towards quality products and timely delivery schedules which have enabled us to secure repeated orders from our customers.

We have been focusing more on supplying our products to government entities, which are undertaken through bidding process. Our marketing and business development team endeavor to make our bids competitive in order to retain the business with our old clients as well as searching for new customer base and clientele. We also grant customers credit terms on the basis of the reputation of the customers and their previous credit record with our Company. We also sell our products against purchase orders placed by our customers. We intent to expand our customer base by reaching out to other geographical areas.

#### Revenue from Operations from our different products and service

The following table sets forth our revenue from operations from our different products for the periods indicated:

	Revenue from operations (in lakhs)					
Particular	Fiscal Y	ear 2017	Fiscal Year 2016			
	Amount	% of total	Amount	% of total		
Overhead Conductors	22152.11	54.30	21730.66	62.41		
Electric Cables	5740.47	14.07	5990.87	17.20		
EPC Projects	11885.40	29.14	6434.25	18.48		
Others	1014.14	2.49	666.10	1.91		
Total	40792.13	100.00	34821.89	100.00		

#### Competition

Our business includes the manufacturing of the cables and conductors and we also undertake EPC projects. The Industry is fragmented consisting of large established players and small niche players. We have a number of competitors offering products and services similar to us. We believe the principal elements of competition in our industry are price, durability and overall product quality, timely delivery and reliability and most importantly our pace in keeping up with the required regulations and changing technology in the industry. We believe that our cost effective and integrated facilities, our focus on customer satisfaction and our reliability combined with our quality consciousness provides us with competitive advantage in many of our products. Some of our major competitors are:-

- 1) Anvil Cables Private Limited, Kolkata, West Bengal
- 2) Gupta Power Infrastructure Limited, Bhubaneswar, Odisha
- 3) Hindustan Urban Infrastructure Limited, New Delhi
- 4) JSK Industries Pvt. Ltd., Mumbai

# Quality assurance and quality control

Our company has been accredited with Standard management Quality system certificates for compliance with ISO 9001:2015 requirements by BUREAU VERITAS (INDIA). We undertake quality checks at various stages in our manufacturing process. Our quality control team is responsible for checking quality of the raw material received at our manufacturing facilities. Thereafter, quality checks are undertaken at various stages, including for raw material and components, at packaging and lastly, a quality check is undertaken prior to dispatch of our products. The products manufactured by us may also undergo an additional pre-dispatch quality check by our customers.

# **Corporate Social Responsibility**

We have adopted a Corporate Social Responsibility ("CSR") policy in compliance with the requirements of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014 notified by Central Government. Our CSR Committee was constituted on 17<sup>th</sup> March, 2015. Our CSR activities are monitored by the



CSR Committee of our Board. For details of our CSR Committee, see "Our Management – Corporate Governance – Corporate Social Responsibility Committee" on page 156 of this Draft Red Herring Prospectus.

#### **Human Resource:-**

We have in our team technical, skilled and qualified personnel who are abreast with the updated manufacturing norms. They are committed & dedicated to maintain the specified standard, quality & safety of our products. As on March 31, 2018, we have employed total 363 full time employees, including senior management, at our offices, EPC projects sites and plant location. We have employed a prudent mix of the experienced staff and youth which gives us the dual advantage. Below are the details of the manpower engaged by our company:-

Category	No. of Employees
Office &Administration	41
Sales & Marketing	13
Skilled Workers	153
Semi-Skilled Workers	109
Un-Skilled Workers	47
Total	363

#### Insurance

Our operations are subject to various risks inherent in the Cable and conductor industry as well as theft, natural disasters, diseases, acts of terrorism and other unforeseen events. We maintain insurance cover for our properties. We believe that our insurance coverage is in accordance with industry customs, including the terms and scope of the coverage provided by such insurance. We generally insure our assets based on the estimates of our management. Notwithstanding the above, our policies are nonetheless subject to standard limitations. Therefore, insurance might not necessarily cover all losses incurred by us and we cannot provide any assurance that we will not incur losses or suffer claims beyond the limits of, or outside the relevant coverage of, our insurance policies. Our principal types of insurance coverage include:

- a) Marine cum Erection Insurance Policy.
- b) Marine Open Inland Declaration Policy.
- c) Burglary Floater Policy.
- d) Burglary Standard Policy.
- e) Keyman Insurance Policy
- f) Standard Fire & Special Perils Policy; &
- g) Money Insurance Policy.

For further detail related to the risk involved see "Risk Factors" on page 18 of this Draft Red Herring Prospectus.

### **Intellectual Property**

Below are the details of the trademark applied by our company or registered in the name of our company:-

Sr. No	Trademark	Application No.	Date of application	Class	Valid Upto	Current Status
1.	CABCON	1009619	May 16, 2001	06	May 16, 2021	Registered
2.	CABCON Powering Generations	3765407	February 27, 2018	06		Accepted & Advertised
3.	CABCON	1009618	May 16, 2001	09	May 16, 2021	Registered
4.	CABCON Powering Generations	3765406	February 27, 2018	09		Accepted & Advertised

For further details, see "Government and Other Approvals" and "Risk Factors" on pages 317 and 18, respectively.



# **Property**

Below are the details of the Properties owned/rented by our company or registered in the name of our company:-

S.	Details of the	Use	Owned/	Lessor/party	Consideration/ Lease Rental/
No.	Property		Leased/Licen se/Rent		License Fees (Rs.)
1	4A Pollock Street, R,No. 21, "Swika Center" Ground Floor, Calcutta-700001 (Admeasuring 413 Sq.Ft)	Registere d office	Owned	Rai Bahdur G.V Swaika Estate Private Limited and Cabcon India Private Limited	Indenture Deed dated May 31st, 1997 executed between Rai Bahdur G.V Swaika Estate Private Limited (Vendor) and Cabcon India Private Limited (the purchaser) for consideration of INR. 4,59,200/-(Rupees Four Lac fifty Nine thousand two hundred only/-).
2	4A Pollock Street, office space No. 506, "Swika Center" fifth Floor, Calcutta-700001 (Admeasuring Buildup area 501 Sq.Ft)	Office Space	Owned	Mrs. Pramod Kumar Saraogi (Vendor) And Cabcon India Private Limted (the Purchaser)	Indenture Deed dated April27th,2009 executed between Mrs. Pramod Kumar Saraogi (Vendor) And Cabcon India Private Limited (the Purchaser) for consideration of INR. 14,00,000/-(Rupees Fourteen Lac only/-).
3	Unit No. 3B & C, BG-12 Sub CBD Area, AAI, Action Area IB New Town, P.S. Rajarhat, Kolkata  Area:- Super Build Up Area 6893 Sq.Ft.	Corporat e Office	Owned	(1)West Bengal Housing Board (Board) (2) Bengal Greenfield Housing Development Company Limited (Developer) (3)West Bengal Housing Infrastructure Development (HIDCO) (4) Pranati Development Private Limited (Transferor & Confirming Party) and Cabcon India Private Limited (Purchaser)	Indenture Deed dated September 9 <sup>th</sup> ,2011 executed between  1) West Bengal Housing Board (Board) (2) Bengal Greenfield Housing Development Company Limited (Developer) (3) West Bengal Housing Infrastructure Development (HIDCO) (4) Pranati Development Private Limited (Transferor & Confirming Party) and  Cabcon India Private Limited (Purchaser) for consideration of INR. 94,84,619/- (RupeesNinety Four Lac Eighty Four thousand and Six Hundred Nineteen only/-). To Developer and INR. 84,18,081/- (Rupees Eighty four Lac Eighteen thousand and eighty one) to Transferor & Confirming Party.
4	Mouza Bhagabatipur J.L. No. 7 P.S. Sankrail Dist. Howrah under Khatian NOS 1935,1936,1937, 1938 & 1939 Sold Area: 75.07 Satak/Decimal	Factory Land Unit II	Owned	1)Smt. Raj Kumari Forma (2) Smt. Rashmi Forma (3)Smt. Priti Forma (4) Smt. Shashikala Forma (Vendor) and Cabcon India Private Limited (Purchaser)	Conveyance Deed dated September 27 <sup>th</sup> ,2014 executed between (1)Smt. Raj Kumari Forma (2) Smt. Rashmi Forma (3)Smt. Priti Forma (4) Smt. Shashikala Forma (Vendors) and Cabcon India Private Limited (Purchaser) for consideration of INR. 78,62,790/- (Rupees Seventy eight Lac Sixty two thousand and Seven Hundred Ninety only/-).
5	Unit No. 3FA, First Floor BG- 12 Sub CBD	Corporat e Office	Owned	(1)West Bengal Housing Board (Board)	Indenture Deed dated September 9 <sup>th</sup> ,2011 executed between 1)West Bengal Housing Board



	<u>, ,,-</u> 1			(0)	(D 1)
	Area, AAI, Action Area IB New Town, P.S. Rajarhat, Kolkata. Area:- Super Build Up Area 2500 Sq.Ft.			(2) Bengal Greenfield Housing Development Company Limited (Developer) (3)West Bengal Housing Infrastructure Development (HIDCO) (4) Pranati	(Board) (2) Bengal Greenfield Housing Development Company Limited (Developer) (3)West Bengal Housing Infrastructure Development (HIDCO) (4) Pranati Development Private Limited (Transferor & Confirming Party) and  Cabcon India Private Limited
				Development Private Limited (Transferor & Confirming Party) and Cabcon India Private Limited (Purchaser)	(Purchaser) for consideration of INR. 33,58,603/- (Rupees Thirty Three Lac Fifty Eight thousand Six Hundred and three only/-). To Developer through Transferor & confirming Party and INR. 36,41,397/- (Rupees Thirty Six Lac Forty one thousand three hundred ninety seven) to Transferor & Confirming Party.
6	4A Pollock Street, office space No. 507, "Swika Center" fifth Floor, Calcutta-700001 (Admeasuring Buildup area 470 Sq.Ft)	Office space	Owned	Rajeev Agarwal (Vendor) And Cabcon India Private Limited (purchaser)	Conveyance deed dated December 14 <sup>th</sup> 2012 executed between Rajeev Agarwal (Vendor) And Cabcon India Private Limited (Purchaser) For consideration of INR 57,00,000/-(Rupees Fifty seven Lac only/-)
7	Mouza Jaladhulagori J.L. No. 2 P.S. Sankrail Dist. Howrah under Khatian NOS 1136, 511, 1363, 1079,1458, 1558, 1595, 2017, 2018, 2019, 2020, 2022, 2023, 816 & 473 Sold Area: 48.25 Satak/Decimal	Factory Land Unit II	Owned	(1)Ganesh Rhati (2)Mahesh Rhati (Vendor) And Cabcon India Private Limited (purchaser	Conveyance deed dated March 14 <sup>th</sup> 2014 executed between (1)Ganesh Rhati (2)Mahesh Rhati (Vendor) And Cabcon India Private Limited (Purchaser) For consideration of INR 82,00,000/- (Rupees Eighty Tow Lac only/-)
8	93, Dakhindari Road, Kolkata – 700048 West Bengal	Factory Land Unit I	Rented	Balahari Sardar & Bros. (Surgico) Pvt Ltd. (Owner) And Cabcon India Private Limited (Tenant)	Vide a two rent agreement entered between Balahari Sardar & Bros. (Surgico) Pvt Ltd. And Cabcon India Private Limited dated May 16, 1994 and August 30, 1997 measuring 6000 sq ft and 4000 sq ft respectively at a rent of Rs. 5000 per month for initial 10 years with a revision of 10% at the lapse of every 10 years.

Apart from the above we have project office located at Patna, Sitamarhi, Katihar\*, Araria\*, Bhojpur\*, Nalanda, Aurangabad, Arwal, Jehanabad, Tura, Shillong, Jowai, Jabalpur, Katni, Raiganj & Hooghly\*.

 $<sup>{\</sup>it *Renewal\ of\ Agreement\ for\ the\ said\ premises\ is\ under\ process.}$ 



#### KEY INDUSTRY REGULATIONS AND POLICIES

The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed in this chapter has been obtained from various legislations, including rules and regulations promulgated by the regulatory bodies that are available in the public domain. The regulations and policies set out below may not be exhaustive, and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. The Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable. For details of such approvals, please see the section titled "Government and other Approvals" on page 317 of this Draft Red Herring Prospectus.

This chapter has been classified as under:

- A. Business and Trade related regulations
- B. Statutory and business laws
- C. Laws relating to Labour and Employment
- D. Environmental laws
- E. Tax Laws
- F. Foreign Investment Regulations

#### A.BUSINESS AND TRADE RELATED REGULATIONS

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

In order to promote and enhance the competitiveness of Micro, Small and Medium Enterprise (MSME) the act is enacted. A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and regulation) Act, 1951 as —micro enterprise, where the investment in plant and machinery does not exceed twenty-five lakh rupees; —Small enterprise, where the investment in plant and machinery is more than twenty-five lakh rupees but does not exceed five crore rupees; or a medium enterprise, where the investment in plant and machinery is more than five crore but does not exceed ten crore rupees and in the case of the enterprise engaged in the services, —Micro — enterprise, where the investment in equipment does not exceed ten lakh rupees, —Small Enterprise where the investment in equipment is more than ten lakh rupees but does not exceed two crore rupees, or — Medium Enterprise where the investment in equipment is more than two crore rupees but does not exceed five crore rupee

# **Investment and Industrial Policy of West Bengal 2013**

The Government of West Bengal has launched Micro & Small Enterprise Cluster Development Programme (MSECDP) for intensive development of the M&SSE sector through a holistic approach. Interventions are formulated with the objective of strengthening the institutional framework, creating stronger backward and forward linkages and introduction of modern technology in order to enhance the productivity and competitiveness of the enterprises in the cluster. The focus is to allow small enterprises in clusters to enjoy economies of scale in areas of marketing, finance and infrastructure and technology.

# The Bureau of Indian Standards Act, 1986

The Bureau of Indian Standards Act ("BIS Act") provides for the establishment of Bureau for the harmonious development of the activities of standardization, marking and quality certification of goods and for matters connected therewith or incidental thereto. The Bureau of Indian Standards ("BIS") is the National Standards Body of India. The BIS product certification scheme is essentially voluntary in nature, and is largely based on ISO/IEC Guide 28 which provides general rules for third party certification system of determining conformity with product standards through initial testing and assessment of a factory quality management system and its acceptance followed by surveillance that takes into account the factory quality management system and the testing of samples from the factory and the open market. All BIS certifications are carried out in accordance with Indian Standards, which are amenable to certification. A large number of operational elements of the BIS product certification scheme correspond with the requirements of ISO/IEC 17065.



# Central Electricity Authority (Measures relating to Safety and Electric Supply) Regulations, 2010 ("Safety and Electric Supply Regulations")

The Safety and Electric Supply Regulations lay down general safety requirements with respect to electric supply lines and apparatus, including meters, switchgears, switches and cables. It requires all electric supply lines and apparatus to have adequate rating for power, insulation and estimated fault current and be of adequate mechanical strength for the duty cycle such apparatus may be required to perform and are required to be constructed, installed, protected, worked and maintained in a manner that will ensure safety of human beings, animals and property. It further requires all electric material and apparatus to conform to the relevant specifications prescribed by the BIS or the International Electro-Technical Commission, as applicable. Further, the Safety and Electric Supply Regulations mandates the installation of suitable switchgear in each conductor of every service line within a consumer's premises, excluding earthed, earthed neutral or earthed external conductor and also requires that such switchgear be encased in a fireproof receptacle.

#### **B. STATUTORY AND COMMERCIAL LAWS**

#### The Companies Act, 2013

The Companies Act, 2013, has replaced the Companies Act, 1956 in a phased manner. The Act received the assent of President of India on 29th August 2013. At present almost all the provisions of this law have been made effective except a very few. The Ministry of Corporate Affairs, has also issued rules complementary to the Companies Act, 2013 establishing the procedure to be followed by companies in order to comply with the substantive provisions of the Companies Act, 2013.

The Companies Act primarily regulates the formation, financing, functioning and restructuring of separate legal entity as companies. The Act provides regulatory and compliance mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies. The provisions of the Act state the eligibility, procedure and execution for various functions of the company, the relation and action of the management and that of the shareholders. The law laid down transparency, corporate governance and protection of shareholders & creditors. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

# Competition Act, 2002

The Competition Act, 2002 "prohibits anti-competitive agreements, abuse of dominant positions by enterprises and regulates "combinations" in India. The Competition Act also established the Competition Commission of India (the "CCI") as the authority mandated to implement the Competition Act. The provisions of the Competition Act relating to combinations were notified recently on March 4, 2011 and came into effect on June 1, 2011. Combinations which are likely to cause an appreciable adverse effect on competition in a relevant market in India are void under the Competition Act. A combination is defined under Section 5 of the Competition Act as an acquisition, merger or amalgamation of enterprise(s) that meets certain asset or turnover thresholds. There are also different thresholds for those categorized as Individuals and Group. The CCI may enquire into all combinations, even if taking place outside India, or between parties outside India, if such combination is Likely to have an appreciable adverse effect on competition in India. Effective June 1, 2011, all combinations have to be notified to the CCI within 30 days of the execution of any agreement or other document for any acquisition of assets, shares, voting rights or control of an enterprise under Section 5(a) and (b) of the Competition Act (including any binding document conveying an agreement or decision to acquire control, shares, voting rights or assets of an enterprise); or the board of directors of a company (or an equivalent authority in case of other entities) approving a proposal for a merger or amalgamation under Section 5(c) of the Competition Act. The obligation to notify a combination to the CCI falls upon the acquirer in case of an acquisition, and on all parties to the combination jointly in case of a merger or amalgamation.

# The Consumer Protection Act, 1986

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



#### Industrial (Development and Regulation) Act, 1951

The Industrial (Development and Regulation) Act, 1951 has been liberalized under the New Industrial Policy dated July 24, 1991, and all industrial undertakings have been made exempt from licensing except for certain industries such as distillation and brewing of alcoholic drinks, cigars and cigarettes of tobacco and manufactured tobacco substitutes, all types of electronic aerospace and defense equipment, industrial explosives including detonating fuses, safety fuses, gun powder, nitrocellulose and matches and hazardous chemicals and those reserved for the small scale sector. An industrial undertaking, which is exempt from licensing, is required to file an Industrial Entrepreneurs Memorandum ("IEM") with the Secretariat for Industrial Assistance, Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and no further approvals are required.

## The Indian Easements Act, 1882("IE Act")

The law relating to easements and licenses in property is governed by the "IE Act". The right of easement has been defined under the Easements Act to mean a right which the owner or occupier of any land possesses over the land of another for beneficial enjoyment of his land. Such right may allow the owner of the land to do and continue to do something or to prevent and continue to prevent something being done, in or upon any parcel of land which is not his own. Easementary rights may be acquired or created Dynamic Cables Limited 111 by (a) an express grant; or (b) a grant or reservation implied from a certain transfer of property; or (c) by prescription, on account of long use, for a period of twenty years without interruption; or (d) local customs.

# The Insolvency and Bankruptcy Code, 2016

The Insolvency and Bankruptcy Code, 2016 (the "code") cover Insolvency of individuals, unlimited liability partnerships, Limited Liability partnerships (LLPs) and companies. The Code proposes to establish an Insolvency Regulator (The Insolvency and Bankruptcy Board of India) to exercise regulatory oversight over (a) Insolvency Professionals, (b) Insolvency Professional Agencies and (c) Information Utilities; these agencies will develop professional standards, codes of ethics and exercise a disciplinary role over errant members leading to the development of a competitive industry for insolvency professionals. The Code proposes for a fast track insolvency resolution process for companies with smaller operations. The process will have to be Dynamic Cables Limited 112 completed within 90 days, which may be extended upto 45 more days if 75% of financial creditors agree. Extension shall not be given more than once.

#### Indian Contract Act, 1872

Indian Contract Act codifies the way we enter into a contract, execute a contract, and implement provisions of a contract and effects of breach of a contract. The Act consists of limiting factors subject to which contract may be entered into, executed and breach enforced as amended from time to time. It determines the circumstances in which promise made by the parties to a contract shall be legally binding on them. Each contract creates some right and duties upon the contracting parties. Indian contract deals with the enforcement of these rights and duties upon the parties. The Indian Contract Act also lays down provisions of indemnity, guarantee, bailment and agency. Provisions relating to sale of goods and partnership which were originally in the Act are now subject matter of separate enactments viz., the Sale of Goods Act and the Indian Partnership Act. The objective of the Contract Act is to ensure that the rights and obligations arising out of a contract are honored and that legal remedies are made available to those who are affected.

# Negotiable Instruments Act, 1881

In India, cheques are governed by the Negotiable Instruments Act, 1881, which is largely a codification of the English Law on the subject. The Act provides effective legal provision to restrain people from issuing cheques without having sufficient funds in their account or any stringent provision to punish them in the event of such cheque not being honoured by their bankers and returned unpaid. Section 138 of the Act, creates statutory offence in the matter of dishonour of cheques on the ground of insufficiency of funds in the account maintained by a person with the banker which is punishable with imprisonment for a term which may extend to two year, or with fine which may extend to twice the amount of the cheque, or with both.



### The Registration Act, 1908 ("Registration Act")

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

# Indian Stamp Act, 1899(the "Stamp Act")

Under the Indian Stamp Act, 1899 (the "Stamp Act") stamp duty is payable on instruments evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. Stamp duty must be paid on all instruments specified under the Stamp Act at the rates specified in the schedules to the Stamp Act. The applicable rates for stamp duty on instruments chargeable with duty vary from state to state. Instruments chargeable to duty under the Stamp Act, which are not duly stamped are incapable of

being admitted in court as evidence of the transaction contained therein and it also provides for impounding of instruments that are not sufficiently stamped or not stamped at all.

#### The Sale of Goods Act, 1930(Sale of Goods)

The law relating to the sale of goods is codified in the Sale of Goods Act, 1930. It defines sale and agreement to sell as a contract whereby the seller transfers or agrees to transfer the property in goods to the buyer for a price and provides that there may be a contract of sale between part owner and another and that the contract of sale may be absolute or conditional. According to the provisions of this Act, a contract of sale is made by an offer to buy or sell the goods for a price and the acceptance of such offer.

The Act further provides that the contract may provide for the immediate delivery of the goods or immediate payment of the price or both or for the delivery or payment by installments or that the delivery or payment or both shall be postponed. Provisions are made in this Act for existing or future goods, perishable goods, ascertainment of price, conditions and warranties, effects of the contract, delivery to courier, duties of seller and buyer, buyer's right of examining the goods, liability of buyer for neglecting or refusing the delivery of goods, rights of unpaid seller, suits for breach of the contract, sale, etc.

# The Arbitration and Conciliation Act, 1996

This act was enacted by Parliament in the Forty-seventh Year of the Republic of India to consolidate and amend the law relating to domestic arbitration, international commercial arbitration and enforcement of foreign arbitral awards as also to define the law relating to conciliation and for matters connected therewith or incidental thereto. The main objectives of the Act is to comprehensively cover international and commercial arbitration and conciliation as also domestic arbitration and conciliation, to make provision for an arbitral procedure which is fair, efficient and capable of meeting the needs of the specific arbitration, to provide that the arbitral tribunal gives reasons for its arbitral award, to ensure that the arbitral tribunal remains within the limits of its jurisdiction, to minimise the supervisory role of courts in the arbitral process, to permit n arbitral tribunal to use mediation, conciliation or other procedures during the arbitral proceedings to encourage settlement of disputes, to provide that every final arbitral award is enforced in the same manner as if it were a decree of the court, to provide that a settlement agreement reached by the parties as a result of conciliation proceedings will have the same status and effect as an arbitral award on agreed terms on the substance of the dispute rendered by an arbitral tribunal and to provide that, for purposes of enforcement of foreign awards, every arbitral award made in a country to which one of the two International Conventions relating to foreign arbitral awards to which India is a party applies, will be treated as a foreign award.

# Electricity Act, 2003

The Electricity Act, 2003 has been recently introduced with a view to rationalize electricity tariff, and to bring about transparent policies in the sector. The Act provides for private sector participation in generation, transmission and distribution of electricity, and provides for the corporatization of the state electricity boards. The related Electricity Regulatory Commissions Act, 1998 has been enacted with a view to confer on these statutory Commissions the responsibility of regulating this sector.



#### The Legal Metrology Act 2009

The Legal Metrology Act, 2009 ("LMA") provides for establishing uniform standards of weights and measures regulate trade in weights, and other goods which are sold or distributed by weight, measure or number. Every manufacturer, repairer and seller shall have to obtain a license from the respective Controller. The Act allows Govt. approved test centers to verify weights and measures.

#### C. LAWS RELATING TO LABOUR AND EMPLOYMENT

As part of business of the Company it is required to comply from time to time with certain laws in relation to the employment of labour. A brief description of certain labour legislations which are applicable to the Company is set forth below:

# The Factories Act, 1948

The Factories Act defines a 'factory' to be any premises including the precincts thereof, on which on any day in the previous 12 months, 10 or more workers are or were working and in which a manufacturing process is being carried on or is ordinarily carried on with the aid of power; or where at least 20 workers are or were working on any day in the preceding 12 months and on which a manufacturing process is being carried on or is ordinarily carried on without the aid of power. State governments prescribe rules with respect to the prior submission of plans, their approval for the establishment of factories and the registration and licensing of factories. The Factories Act provides that the 'occupier' of a factory (defined as the person who has ultimate control over the affairs of the factory and in the case of a company, any one of the directors) shall ensure the health, safety and welfare of all workers while they are at work in the factory, especially in respect of safety and proper maintenance of the factory such that it does not pose health risks, the safe use, handling, storage and transport of factory articles and substances, provision of adequate instruction, training and supervision to ensure workers' health and safety, cleanliness and safe working conditions. If there is a contravention of any of the provisions of the Factories Act or the rules framed thereunder, the occupier and manager of the factory may be punished with imprisonment or with a fine or with both.

## The West Bengal Factories Rules, 1958

The West Bengal Factories Rules, 1958(the "Rules") seek to regulate labour employed in factories in the State of West Bengal and makes provisions for the safety, health and welfare of the workers. The Rules also mandate maintenance of certain statutory registers in the factory.

# The Indian Boilers Act, 1923

The Boilers Act states that the owner of any boiler (as defined therein), which is wholly or partly under pressure when is shut off, shall under the provisions of the Boilers Act, apply to the Inspector appointed there under to have the boiler registered which shall be accompanied by prescribed fee. The certificate for use of a registered boiler is issued pursuant to such application, for a period not exceeding twelve months, provided that a certificate in respect of an economiser or of an unfired boiler which forms an integral part of a processing plant in which steam is generated solely by the use of oil, asphalt or bitumen as a heating medium may be issued for a period not exceeding twenty-four months in accordance with the regulations made under Boilers Act. On the expiry of the term or due to any structural alteration, addition or renewal to the boiler, the owner of the boiler shall renew the certificate by

providing the Inspector all reasonable facilities for the examination and all such information as may reasonably be required of him to have the boiler properly prepared and ready for examination in the prescribed manner.

# The Minimum Wages Act, 1948

The State Governments may stipulate the minimum wages applicable to a particular industry. The minimum wages generally consist of a basic rate of wages, cash value of supplies of essential commodities at concession rates and a special allowance, the aggregate of which reflects the cost of living index as notified in the Official Gazette. Workers are to be paid for overtime at overtime rates stipulated by the appropriate State Government. Any contravention may result in imprisonment of up to six months or a fine of up to Rs. 500. Further, employees who have been paid less than the minimum wages are entitled to the payment of the shortfall amount, together with compensation, which may extend up to ten times the shortfall amount.



#### The Employees State Insurance Act, 1948

All the establishments to which the Employees State Insurance (ESI) Act applies are required to be registered under the Act with the Employees State Insurance Corporation. The Act applies to those establishments where 20 or more persons are employed. The Act requires all the employees of the factories and establishments to which the Act applies to be insured in the manner provided under the Act. Further, employer and employees both are required to make contribution to the fund. The return of the contribution made is required to be filed with the ESI department.

# Employees' Compensation Act, 1923

The Employee's Compensation Act, 1923 ("ECA") has been enacted with the objective to provide for the payment of compensation by certain classes of employers to their workmen or their survivors for industrial accidents and occupational diseases resulting in the death or disablement of such workmen. The Act makes every employer liable to pay compensation in accordance with the Act if a personal injury/disablement/loss of life is caused to a workman (including those employed through a contractor) by an accident arising out of and in the course of his employment. In case the employer fails to pay compensation due under the Act within one month from the date it falls due, the Commissioner may direct the employer to pay the compensation amount along with interest and may also impose a penalty.

#### Payment of Wages Act, 1936

The Payment of Wages Act applies to the persons employed in the factories and to persons employed in industrial or other establishments, either directly or indirectly through a sub-contractor, where the monthly wages payable to such persons is less than Rs. 10,000/-. The Act confers on the person(s) responsible for payment of wages certain obligations with respect to the maintenance of registers and the display in such factory/establishment, of the abstracts of this Act and Rules made there under.

#### The Payment of Gratuity Act, 1972

The Gratuity Act establishes a scheme for the payment of gratuity to employees engaged in every factory, mine, oil field, plantation, port and railway company, every shop or establishment 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 employees are employed or were employed on any day of the preceding twelve months, as notified by the Central Government from time to time. Penalties are prescribed for noncompliance with statutory provisions. Under the Gratuity Act, an employee who has been in continuous service for a period of five years will be eligible for gratuity upon his retirement, resignation, superannuation, death or disablement due to accident or disease.

However, the entitlement to gratuity in the event of death or disablement will not be contingent upon an employee having completed five years of continuous service. The maximum amount of gratuity payable may not exceed Rs. 1 million.

# Employees Provident Fund and Miscellaneous Provisions Act, 1952 ("Act") and the schemes formulated there under ("Schemes")

This Act provides for the institution of provident funds, family pension funds and deposit linked insurance fund for the employees in the factories and other establishments. Accordingly, the following schemes are formulated for the benefit of such employees:

- i. <u>The Employees Provident Fund Scheme:</u> As per this Scheme, a provident fund is constituted and both the employees and employer contribute to the fund at the rate of 12% (or 10% in certain cases) of the basic wages, dearness allowance and retaining allowance, if any, payable to employees per month.
- <u>ii. The Employees Pension Scheme</u>: Employees' Pension Scheme is Pension Scheme for survivors, old aged and disabled persons. This Scheme derives its financial resource by partial diversion from the Provident Fund contribution, the rate being 8.33%. Thus, a part of contribution representing 8.33 per cent of the employee's pay shall be remitted by the employer to the Employees' Pension fund within 15 days of the close of every month by a separate bank draft or cheque on account of the



Employees' Pension Fund contribution in such manner as may be specified in this behalf by the appropriate authority constituted under the Act. The Central Government shall also contribute at the rate of 1.16 per cent of the pay of the members of the Employees' Pension Scheme and credit the contribution to the Employees' Pension Fund.

<u>iii.</u> The Employees Deposit Linked Insurance Scheme: As per this Scheme, the contribution by the employer shall be remitted by him together with administrative charges at such rate as the Central Government may fix from time to time under Section 6C (4) of the Act, to the Insurance Fund within 15 days of the close of every month by a separate bank draft or cheque or by remittance in cash in such manner as may be specified in this behalf by the appropriate authority constituted under the Act.

#### Payment of Bonus Act, 1965

The Payment of Bonus Act, 1965 ("**PoB"**) Act provides for payment of minimum bonus to factory employees and every other establishment in which 20 or more persons are employed and requires maintenance of certain books and registers and filing of monthly returns showing computation of allocable surplus, set on and set off of allocable surplus and bonus due.

#### Trade Union Act, 1926 and Trade Union (Amendment) Act, 2001

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

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

The purpose of Contract Labour (Regulation and Abolition) Act, 1970 is to regulate the employment and protect the interests of the workers who are hired on the basis of individual contracts in certain establishments. In the event that any activity is outsourced, and is carried out by labourers hired on contractual basis, then compliance with the Contract Labour (Regulation and Abolition) Act, including registration will be necessary and the principal employer will be held liable in the event of default by the contractor to make requisite payments towards provident fund etc.

# The Equal Remuneration Act, 1976 ("Equal Remuneration Act") and Equal Remuneration Rules, 1976

The Constitution of India provides for equal pay for equal work for both men and women. To give effect to this provision, the Equal Remuneration Act, 1976 was implemented. The Act provides for payment of equal wages for equal work of equal nature to male or female workers and for not making discrimination against female employees in the matters of transfers, training and promotion etc

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

This statute prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Under this Act the employment of child labour in the building and construction industry is prohibited.

# The Maternity Benefit Act, 1961("Maternity Act")

The Maternity Benefit Act, 1961 was enacted by Parliament in the Twelfth Year of the Republic of India to regulate the employment of women in certain establishments for certain periods before and after child-birth and to provide for maternity benefit and certain other benefits.



#### The West Bengal Shops & Commercial Establishments Acts, 1963 ("Shops Act")

The Shops Act provides for the regulation of conditions of work in shops, commercial establishments, restaurants, theatres and other establishments. The Act is enforced by the Chief Inspector of Shops (CIS) and various inspectors under the supervision and control of Deputy/Assistant Labour Commissioners of the concerned District, who in turn functions under the supervision of Labour Commissioner. Such legislations 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 West Bengal Labour Welfare Fund Act, 1974

The West Bengal Labour Welfare Fund Act, 1974("WBLWFA") provide for the constitution of a fund for the financing of activities to promote welfare of labour in the state of West Bengal and for the establishment of Board for conducting such activities and for matters connected therewith.

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

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

Act shall be punishable with a fine extending to Rs. 50,000/- (Rupees Fifty Thousand Only).

#### The Industrial Disputes Act, 1947

The Industrial Disputes Act, 1947(the "**ID**") 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 workmen.

# Inter State Migrant Workers (Regulation of Employment and Conditions of Service) Act, 1979;

The Inter State Migrant Workers (Regulation of Employment and Conditions of Service) Act, 1979 was enacted by Parliament in the Thirtieth Year of the Republic of India to regulate the employment of inter-State migrant workmen and to provide for their conditions of service and for matters connected therewith. This Act makes provision for availing with the onsite services of interstate workers by the contractors / establishments to overcome only the temporary shortage of required skilled workers in a state. The purpose of this act is not to encourage interstate migration of workers against the interests of local workers as the principal employers would have to incur more cost in deploying interstate workers.

# Apprentices Act, 1961

The Apprentices Act was enacted in 1961 for imparting training to apprentices i.e. a person who is undergoing apprenticeship training in pursuance of a contract of apprenticeship. Every employer shall make suitable arrangements in his workshop for imparting a course of practical training to every apprentice engaged by him in accordance with the programme approved by the apprenticeship adviser. The central apprenticeship adviser or any other person not below the rank of an assistant apprenticeship adviser shall be given all reasonable facilities



for access to each apprentice with a view to test his work and to ensure that the practical training is being imparted in accordance with the approved programme.

#### The Industrial Employment (Standing orders) Act, 1946

This Act is to require employers in industrial establishments to formally define conditions of employment under them and submit draft standing orders to certifying Authority for its Certification. It applies to every industrial establishment wherein 100 (reduced to 50 by the Central Government in respect of the establishments for which it is the Appropriate Government) or more workmen are employed. And the Central Government is the appropriate Government in respect of establishments under the control of Central Government or a Railway Administration or in a major port, mine or oil field. Under the Industrial Employment (Standing Orders) Act, 1946, all RLCs(C) have been declared Certifying Officers to certify the standing orders in respect of the establishments falling in the Central Sphere. CLC(C) and all Dy. CLCs(C) have been declared Appellate Authorities under the Act.

#### D. ENVIRONMENTAL LAWS

# The Environment (Protection) Act, 1986 as amended, ("Environment Protection Act"), the Water (Prevention and Control of Pollution) Act, 1974, as amended, ("Water Act") and the Air (Prevention and Control of Pollution) Act, 1981, ("Air Act")

The said Act provide for the prevention, control and abatement of pollution. Pollution control boards have been constituted in all states in India to exercise the powers and perform the functions provided for under these statutes for the purpose of preventing and controlling pollution. Companies are required to obtain consents of the relevant state pollution control boards for emissions and discharge of effluents into the environment.

# The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008as amended, ("Hazardous Wastes Rules")

The Said Rules impose an obligation on every occupier of an establishment generating hazardous waste to recycle or reprocess or reuse such wastes in a registered recycler or to dispose of such hazardous wastes in an authorized disposal facility. Every person engaged, inter alia, in the generation, processing, treatment, package, storage and destruction of hazardous waste is required to obtain an authorization from the relevant state pollution control board for collecting, recycling, reprocessing, disposing, storing and treating the hazardous waste. 80 The Environmental Impact Assessment Notification dated September 14, 2006 read with notifications dated October 11, 2007, December 1, 2009, April 4, 2011 and January 25, 2012, issued under the Environment Protection Act and the Environment (Protection) Rules, 1986, requires prior environmental clearance of the Ministry of Environment and Forests, GoI and at state level, of the state environment impact assessment authority, if any new project (specified in the notification) is proposed to be undertaken or for expansion and modernization of existing projects beyond certain specified threshold limits. The environment clearance (for commencement of the production operations) is valid for the time period prescribed in the notification.

#### The Public Liability Insurance Act, 1991

The "Public Liability Act" imposes liability on the owner or controller of hazardous substances for death or injury to any person (other than a workman) or any damage to property arising out of an accident involving such hazardous substances. A list of hazardous substances covered by the legislation has been enumerated by the Government by way of a notification. The owner or handler is also required to obtain an insurance policy insuring him against liability under the legislation. The Public Liability Insurance Rules, 1991 mandate that the owner has to contribute towards the environment relief fund, a sum equal to the premium paid on the insurance policies. The amount is payable to the insurer.

#### Water (Prevention and Control of Pollution) Cess Act, 1977, as amended (the "Water Cess Act")

The Water Cess Act provides for levy and collection of a cess on water consumed by industries with a view to augment the resources of the Central and State Pollution Control Boards constituted under the Water Act. Under this statute, every person carrying on any industry is required to pay a cess calculated on the basis of the amount of water consumed for any of the purposes specified under the Water Cess Act at such rate not exceeding the rate specified under the Water Cess Act. A rebate of up to 25% on the cess payable is available to those persons who



install any plant for the treatment of sewage or trade effluent, provided that they consume water within the quantity prescribed for that category of industries and also comply with the provision relating to restrictions on new outlets and discharges under the Water Act or any standards laid down under the EPA. For the purpose of recording the water consumption, every industry is required to affix meters as prescribed. Penalties for noncompliance with the obligation to furnish a return and evasion of cess include imprisonment of any person for a period up to six months or a fine of ₹ 1,000 or both and penalty for non-payment of cess within a specified time includes an amount not exceeding the amount of cess which is in arrears.

#### The Air (Prevention and Control of Pollution) Act, 1981

The Air (Prevention and Control of Pollution) Act, 1981 ("the Air Act") inter-alia provides for the prevention, control and abatement of air pollution, for the establishment, with a view to carrying out the aforesaid purposes of Boards for conferring on and assigning to such Boards powers and functions relating thereto and for matters connected therewith. The Central Board constituted under Water (Prevention and Control of Pollution) Act, 1974, shall, without prejudice to its powers and functions under this Act, shall also exercise the powers and perform the functions of the Central Board under the Prevention and Control of Air Pollution. Similarly if in any State, the State Government has constituted for that State, a State Board for the Prevention and Control of Water Pollution, then such State Board shall be deemed to be the State Board for the Prevention and Control of Air Pollution and exercise the powers and perform the functions of the State Board for the Prevention and Control of Air Pollution also. In terms of the Air Act, no person operating any industrial plant, in any air pollution control area (so declared under the Air Act) shall discharge or cause or permit to be discharged the emission of any air pollutant in excess of the standards laid down by the Board constituted under the Act. Further, no person shall, without the previous consent of the Board constituted under the Act, establish or operate any industrial plant in an air pollution control area.

# The Noise Pollution (Regulation & Control) Rules 2000 ("Noise Regulation Rules")

The Noise Regulation Rules regulate noise levels in industrial, commercial and residential zones. The Noise Regulation Rules also establish zones of silence of not less than 100 meters near schools, courts, hospitals, etc. The rules also assign regulatory authority for these standards to the local district courts. Penalty for non-compliance with the Noise Regulation Rules shall be under the Provisions of the Environment (Protection) Act, 1986.

# National Environmental Policy, 2006

The Policy seeks to extend the coverage, and fill in gaps that still exist, in light of present knowledge and accumulated experience. This policy was prepared through an intensive process of consultation within the Government and inputs from experts. It does not displace, but builds on the earlier policies. It is a statement of India's commitment to making a positive contribution to international efforts. This is a response to our national commitment to a clean environment, mandated in the Constitution in Articles 48 A and 51 A (g), strengthened by judicial interpretation of Article 21. The dominant theme of this policy is that while conservation of environmental resources is necessary to secure livelihoods and well-being of all, the most secure basis for conservation is to ensure that people dependent on particular resources obtain better livelihoods from the fact of conservation, than from degradation of the resource.

Following are the objectives of National Environmental Policy:

- Conservation of Critical Environmental Resources
- Intra-generational Equity: Livelihood Security for the Poor
- Inter-generational Equity
- Integration of Environmental Concerns in Economic and Social Development
- Efficiency in Environmental Resource Use
- Environmental Governance
- Enhancement of resources for Environmental Conservation

# E. TAX LAWS



#### The Income Tax Act, 1961

The Income Tax Act, 1961 deals with the taxation of individuals, corporate, partnership firms and others. As per the provisions of this Act the rates at which they are required to pay tax is calculated on the income declared by them or assessed by the authorities after availing the deductions and concessions accorded under the Act. The maintenance of Books of Accounts and relevant supporting documents and registers are mandatory under the Act. Filing of returns of Income is compulsory for all assesses. The maintenance of Books of Accounts and relevant supporting documents and registers are mandatory

# The Central Goods and Services Tax Act, 2017 (the "GST Act")

The GST Act levies indirect tax throughout India to replace many taxes levied by the Central and State Governments. The GST is governed by a GST Council and its Chairman is the Finance Minister of India. The GST Act is applicable from July 1, 2017 and will bound together the Central Excise Duty, Commercial Tax, Value Added Tax (VAT), Food Tax, Central Sales Tax (CST), Introit, Octroi, Entertainment Tax, Entry Tax, Purchase Tax, Luxury Tax, Advertisement Tax, Service Tax, Customs Duty, Surcharges. Under GST, goods and services will be taxed under five different categories that are 0%, 5%, 12%, 18%, 28%. GST will be levied on all transactions such as sale, transfer, purchase, barter, lease, or import of goods and/or services. India will adopt a dual GST model, meaning that taxation is administered by both the Union and State Governments. Transactions made within a single state will be levied with Central GST (CGST) by the Central Government and State GST (SGST) by the government of that state. For inter-state transactions and imported goods or services, an Integrated GST (IGST) is levied by the Central Government. GST is a consumption-based tax, therefore, taxes are paid to the state where the goods or services are consumed and not the state in which they were produced.

#### State laws governing Entry Tax

Entry Tax provides for the levy and collection of tax on the entry of goods into the local areas of the state for consumption, use or sale therein and matters incidental thereto and connected therewith. It is levied at such rate as may be specified by the State Government and different rates may be specified for different goods. The tax leviable under this Act shall be paid by every dealer in scheduled goods or any other person who brings or causes to be brought into a local area such scheduled goods whether on his own account or on account of his principal or customer or takes delivery or is entitled to take delivery of such goods on such entry.

# West Bengal Value Added Tax Act, 2003 ("WBVAT")

The Act to consolidate and amend the law relating to the levy of tax on sale or purchase of goods and to introduce value added system of taxation in the State of West Bengal. VAT is a system of multi-point levy on each of the purchases in the supply chain with the facility of set-off input tax on sales whereby tax is paid at the stage of purchase of goods by a trader and on purchase of raw materials by a manufacturer. VAT is based on the value addition of goods, and the related VAT liability of the dealer is calculated by deducting input tax credit for tax collected on the sales during a particular period. VAT is a consumption tax applicable to all commercial activities involving the production and distribution of goods and the provisions of services, and each state that has introduced VAT has its own VAT Act, under which, persons liable to pay VAT must register and obtain a registration number from Sales Tax Officer of the respective State...

# The Central Sales Tax Act, 1956

The Central Sales Tax Act, 1956 enacted by Parliament in Seventh Year of Republic of India to formulate principles for determining when a sale or purchase of goods takes place in the course of inter-state trade of commerce or outside a State or in the course of imports into or export from India, to provide for the levy, collection and distribution of taxes on sales of goods in the course of inter-state trade of commerce and to declare certain goods to be of special importance in inter-state or commerce and specify the restrictions and conditions to which state laws imposing taxes on the sale or purchase of such goods of special importance.

#### Finance Act, 1994 (Service Tax)

Service tax is charged on taxable services as defined in Chapter V of Finance Act, 1994, (as amended from time to time) which requires a service provider of taxable services to collect service tax from a service recipient and pay such tax to the Government. In accordance with Rule 6 of Service tax Rules, the assesses is required to pay



Service tax in TR 6 challan by fifth of the month immediately following the month to which it relates. Further under Rule 7(1) of Service Tax Rules, the company is required to file a half yearly return in Form ST 3 by twenty fifth of the month immediately following the half year to which the return relates.

#### The Central Excise Act, 1944

In accordance with the Central Excise Act and Central Excise Rules, every person who produces or manufactures any excisable goods is required to get itself registered with the Jurisdictional Deputy or Assistant Commissioner of Central Excise. Hence this Act is applicable to the Company. Further, the provisions of the Central Excise Rules provide that the manufacturer of final product (other than SSI's) shall submit the duty on goods removed from the factory or warehouse during the month by fifth day of following month. Also a Monthly Return in Form ER1 is required to be submitted to the Superintendent of Central Excise within 10 days after the close of the month.

#### Customs Act, 1962

The provisions of the Customs Act, 1962 and rules made there under are applicable at the time of import of goods i.e. bringing into India from a place outside India or at the time of export of goods i.e. taken out of India to a place outside India. Any Company requiring to import or export any goods is first required to get it registered and obtain an IEC (Importer Exporter Code).

#### The West Bengal State Tax on Professions, Trades, Callings and Employments Act, 1979

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 this Act (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

#### G. FOREIGN INVESTMENT REGULATIONS

#### The Foreign Trade (Development & Regulation) Act, 1992

The Foreign Trade (Development & Regulation) Act, 1992, provides for the development and regulation of foreign trade by facilitating imports into and augmenting exports from India and for matters connected therewith or incidental thereto

#### Foreign Exchange Management Act, 1999 ("the FEMA"), and Rules and Regulations there under

As laid down by the FEMA Regulations, no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the automatic route within the specified sect oral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sect oral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer of Issue of Security by a person Resident Outside India) Regulations, 2000 ("FEMA Regulations") to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India.

#### Intellectual Property Laws



### The Trademarks Act, 1999 ("Trademarks Act")

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

#### The Copyright Act, 1957

The Copyright Act, 1957 (the "Copyright Act") governs copyright protection in India. Even while copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work, registration under the Copyright Act acts as a prima facie evidence of the particulars entered therein and helps expedite infringement proceedings and reduce delay caused due to evidentiary considerations.

#### **GENERAL LAWS**

Apart from the above list of laws – which is inclusive in nature and not exhaustive - general laws like the Indian Contract Act 1872, Specific Relief Act 1963, Negotiable Instrument Act 1881, The Information Technology Act, 2000, Sale of Goods Act 1930, The Arbitration and Conciliation Act, 1996 and Consumer Protection Act 1986 are also applicable



#### HISTORY AND CERTAIN CORPORATE MATTERS

#### Our History and Background

Our Company was originally incorporated as "Cabcon India Pvt Ltd" on February 01, 1991 vide Registration No. 050809/1990-1991 (CIN: U31200WB1991PTC050809) under the provisions of the Companies Act, 1956 with the Registrar of Companies, West Bengal. Subsequently our Company was converted into a public limited company and the name of our Company was changed from "Cabcon India Pvt Ltd" to "Cabcon India Limited" vide special resolution passed by the Shareholders in the Extra-Ordinary General Meeting held on April 18, 2018. A fresh Certificate of Incorporation consequent upon conversion into public limited company was granted to our Company on May 9, 2018 by the Registrar of Companies, West Bengal, Kolkata having Corporate Identification Number U31200WB1991PLC050809.

Shree Ballabh Fomra and Mr. Madan Mohan Fomra, were the initial subscribers to the Memorandum of Association of our Company. Presently Shree Ballabh Fomra, Mr. Madan Mohan Fomra, Mrs. Raj Kumari Fomra, S B Fomra (HUF) Mr. Shanti Prasad Fomra, M. M. Fomra (HUF), Mr. Vijay Kumar Fomra, V. K. Fomra (HUF), Mr. Manish Kumar Fomra, M K Fomra (HUF) and Mrs. Nikhita Chopra are the Promoters of our Company. As on the date of this Draft Red Herring Prospectus, our Company has 23 (Twenty Three) shareholders.

For information on our Company's profile, activities, market, growth, technology, managerial competence, standing with reference to prominent competitors, please refer the sections titled "Our Business", "Industry Overview", "Our Management", "Financial information of the Company" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 125, 115, 156, 189 & 295 respectively of this Draft Red Herring Prospectus.

#### Address of Registered Office, Corporate Office & Units

Registered	Registered Office		4A, Pollock Street, Kolkata – 700001 West Bengal, India.
Corporate Office			1ST Floor, Terminus Building BG-12, Action Area,1-B, New Town, Rajarhat Kolkata – 700156 West Bengal, India.
Factory	Unit	Unit-I:	93, Dakhindari Road, Kolkata – 700048 West Bengal, India.
Factory Address	Omt	Unit-II:	NH-6, Bombay Road, P.O. & Vill Kanduah, P.S. – Sankrail, Dist. – Howrah – 711302.

# Changes in the Registered Office

There has not been any change in our Registered Office since incorporation till the date of this Draft Red Herring Prospectus.

#### **Our Main Objects**

The main objects of our Company as set forth in the Memorandum of Association of our Company are as follows:

- To carry on the business of Manufacturers, processors, assemblers, designers, importers, exporter, sellers, buyers, and/or otherwise dealers, in all sorts of power plants, control panels, equipments, accessories and allied electrical, items generating sets, transformers, transmission, insulators, conductor, electric motors, bulbs, wires, cables and other electrical items, their parts and accessories, machines, used or required in connections with generation, transmission and distribution of electrical power, components and accessories required therefore.
- 2. To carry on business as Engineering, Procurement and Construction / Commissioning (EPC) of power projects or otherwise and to undertake turnkey projects of every description and do the deal-in supply, install, operate, and manage all necessary plants, items of equipment, cables, wires, lines, establishments and other works related to Energy and other forms of Energy services like Project Management, Project Advisory services etc. and all types of infrastructure works and to do all the ancillary, related or connected activities as may be considered necessary or beneficial or desirable for or along with any or all of the aforesaid purposes or objects.



# **Changes in Memorandum of Association**

Except as stated below there has been no change in the Memorandum of Association of our Company since its Incorporation:

Sr. No.	Particulars	Date of Meeting	Type of Meeting
	Authorized Capital of ₹ 5,00,000/- divided into 50,000 equity shares of ₹ 10 each.	Incorporation	
	Increase in the authorized share capital of the company from ₹ 5,00,000 divided into 50,000 Equity Shares of ₹ 10/- each to ₹ 50,00,000 divided into 5,00,000 Equity Shares of ₹ 10/- each.	October 17, 1997	EGM
	Increase in the authorized share capital of the company from ₹ 50,00,000 divided into 5,00,000 Equity Shares of ₹ 10/- each to ₹ 1,50,00,000 divided into 15,00,000 Equity Shares of ₹ 10/- each.	August 14, 2006	EGM
	Increase in the authorized share capital of the company from ₹ 1,50,00,000 divided into 15,00,000 Equity Shares of ₹ 10/- each to ₹ 5,00,00,000 divided into 50,00,000 Equity Shares of ₹ 10/- each.	January 16, 2010	EGM
	Addition in the object clause of MOA by way of inserting Sub-clauses (C-10) and (C-11) after the existing Sub-clause (C-9) under Clause-3 of the Memorandum of Association of the Company.	February 28, 2014	EGM
	Increase in the authorized share capital of the company from ₹ 5,00,00,000 divided into 50,00,000 Equity Shares of ₹ 10/- each to ₹ 10,00,00,000 divided into 1,00,00,000 Equity Shares of ₹ 10/- each.	January 12, 2018	EGM
	Increase in the authorized share capital of the company from ₹ 10,00,00,000 divided into 1,00,00,000 Equity Shares of ₹ 10/- each to ₹ 21,00,00,000 divided into 2,10,00,000 Equity Shares of ₹ 10/- each.	April 07, 2018	EGM
	Adoption of Memorandum of Association in conformity with the applicable provisions of the Companies Act, 2013.	April 18, 2018	EGM
	Alteration in the Main Object Clause of MOA	April 18, 2018	EGM
	Conversion of our Company from Private Limited to Public Limited Company. Consequently name of the Company has been changed from Cabcon India Private Limited to Cabcon India Limited and a fresh Certificate of Incorporation dated May 9, 2018 by the Registrar of Companies, West Bengal, Kolkata having Corporate Identification Number U31200WB1991PLC050809.	April 18, 2018	EGM

# Adopting New Articles of Association of the Company

Our Company has adopted a new set of Articles of Association of the Company in accordance with the applicable provisions of the Companies Act 2013, in the Extra-Ordinary General Meeting of the Company held on April 18, 2018.

# **Key Events and Mile Stones**

Year	Key Events / Milestone / Achievements
1991-92	Incorporation of the Company in the name and style "Cabcon India Private Limited"
1993-94	The company set up its first Conductor unit in the year 1993 at Kolkata with an installed capacity of 1500 TPA.
2006-07	Unit-II was set up in the year 2006 at Dhulagarh Industrial Park, Howrah, West Bengal to cater the growing demands of Conductors.
2016-17 Sales Turnover reached to ₹ 450 Crores.	
2018-19	Conversion of the Company from Private Limited to Public Limited Company.



#### Awards and achievements

Except as mentioned herein under, our Company has not been rewarded with any awards or any other recognition in the past in relation to its business activities.

Year	Awards and achievements		
	Awarded with a Certificate for participating in Manufacturing Sector for the programm		
2013-14	Bengal Chamber MSME Award for Excellence in Best Practices" organized by The Bengal		
2013-14	Chamber of Commerce and Industry in the year 2013-14 for Creating Value for the Company, the		
	Employees and the Industry.		
Awarded for Providing outstanding contribution in achieving the electrificat			
2017-18	unelectrified villages of the state.		
2019 10	We have also been awarded by Power Grid Corporation as winner under Category MSME Vendor		
2018-19	– Conductors at Felicitations 2018on May 25, 2018		

#### Other details about our Company

For details of our Company's activities, products, growth, technology, marketing strategy, competition and our customers, please refer section titled "Our Business", "Management's Discussion and Analysis of Financial Conditions and Results of Operations" and "Basis for Issue Price" on pages 125, 295 and 110 respectively of this Draft Red Herring Prospectus. For details of our management and managerial competence and for details of shareholding of our Promoters, please refer to sections titled "Our Management" and "Capital Structure" beginning on page 156 & 70 of the Draft Red Herring Prospectus respectively.

# Capital raising (Debt / Equity)

For details in relation to our capital raising activities through equity, please refer to the chapter titled "Capital Structure" beginning on page 70 of the Draft Red Herring Prospectus.

For a description of our Company's debt facilities, see "Statement of Financial Indebtedness" on page 291 of the Draft Red Herring Prospectus.

#### 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 the Draft Red Herring Prospectus. Furthermore, none of the Company's loans have been converted into equity in the past.

#### Time and Cost overruns in setting up projects

There has been no time / cost overrun in setting up projects by our Company.

# **Revaluation of Assets**

Our Company has not revalued its assets since incorporation.

### Lock-out or strikes

There have been no lock-outs or strikes in our Company since inception.

#### Changes in activities of Our Company during the last five (5) years

There have been no changes in the activity of our Company during the last five (5) years preceding the date of this Draft Red Herring Prospectus.

# **Holding Company**

As on the date of this Draft Red Herring Prospectus, our Company is not a subsidiary of any company.



#### **Subsidiary of our Company**

As on date of this Draft Red Herring Prospectus, we have one Subsidiary. For details regarding the Subsidiary of our Company, see "Our Subsidiary" on page 186.

#### Injunction or restraining order

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

#### Details regarding acquisition of business/ undertakings, mergers, amalgamation, revaluation of assets etc.

Our Company has filed a Special Resolution u/s 230 to 232 of the Companies Act, 2013 with regard to Amalgamation of Balgopal Commodeal Private Limited, Bhavsagar Commodities Private Limited, Radhika Transmission Private Limited (Transferor Companies) with Cabcon India Private Limited (Transferee Company) duly passed at the Extra-Ordinary General Meeting of the members of the Company held on June 12, 2017 with the Registrar of Companies, West Bengal, Kolkata, however no further steps have been taken by the Companyin this regards. However, so far the Company has not acquired any business or undertaking, or entered into any scheme of merger or amalgamation since incorporation. Our company has also acquired the partnership firm M/s Associated Enterprises on July 25, 2011 for Rs. 100000 and taken over all the assests and liabilities of the said partnership firm.

#### Number of Shareholders of our Company:

Our Company has Twenty Three (23) shareholders as on the date of this Draft Red Herring Prospectus. For further details on the shareholding pattern of our Company, please refer to the chapter titled "Capital Structure" beginning on page 70 of the Draft Red Herring Prospectus.

#### **Changes in the Management**

For details of change in Management, please see chapter titled "*Our Management*" on page 156 of the Draft Red Herring Prospectus.

# **Material Agreement**

# Joint Venture/Collaboration Agreements

Our company has executed a joint deeds of undertaking with M/s Bispa India a registered firm under Indian Partnership Act 1932 and having its registered office at Allahabad Bank Building, Hill cart Road, Siliguri-734001 for purpose of making bid and entering into a contract for electrification work at Arania, Kathiar & Kishanganj to be undertaken under EPC under the various scheme of the government like Deendayal Upadhyay Gram Jyoti Yojana (DDUGJY) and Backward Regions Grant Fund (BRGF) etc.

# **Shareholders Agreements**

There are no subsisting shareholder's agreements among our shareholders in relation to our Company, to which our Company is a party or otherwise has notice of the same as on the date of the Draft Red Herring Prospectus.

#### **Exclusive Agreement**

As on date of this Draft Red Herring Prospectus, Our Company has not entered into an exclusive agreement.

#### **Other Agreements**

# **Non Compete Agreement**

Our Company has not entered into any Non- compete Agreement as on the date of filing of this Draft Red Herring Prospectus.

#### **Strategic Partners**

Our Company does not have any strategic partners as on the date of this Draft Red Herring Prospectus.



#### **Financial Partners**

Our Company does not have any financial partners as on the date of this Draft Red Herring Prospectus.

# **Corporate Profile of our Company**

For details on the description of our Company's activities, the growth of our Company, please see "Our Business", "Management's Discussion and Analysis of Financial Conditions and Results of Operations" and "Basis of Issue Price" on page 125, 295 and 110 respectively of this Draft Red Herring Prospectus.



# **MANAGEMENT**

**Board of Directors:** As per the Articles of Association, our Company is required to have not less than 3 (Three) Directors and not more than 15 (Fifteen) Directors. Currently, our Company has 5 (five) Directors out of which 1 (One) is Non-Executive Director and 2 (two) are Independent Directors.

The following table sets forth the details regarding our Board of Directors of our Company as on the date of filing of this Draft Red Herring Prospectus:

Sr. No.	Name, Father's, Age, Designation, Address, Experience, Occupation, Qualifications, Nationality & DIN	Date of Appointment	No. of Equity Shares held & % of Share holding (Pre Issue)	Other Directorships
1.	Shree Ballabh Fomra Father's Name: Jugal Kishore Fomra Age: 75 Years Designation: Chairman & Non-Executive Director Address: FE 515 Salt Lake City, Kolkata - 700091 West Bengal, India Experience: 50 Years Occupation: Business Qualifications: B. Com Graduate Nationality: Indian DIN: 00633436	Originally appointed on board as an Additional Director vide Board Meeting dated February 14, 2005 and regularized as Director in the next AGM.  Further, designated as Chairman & Non-Executive Director in the Board Meeting dated 10.03.2018.	7,58,100 Equity Shares; [5.30% of Pre- Issue Paid up capital]	Nil
2.	Mr. Madan Mohan Fomra Father's Name: Shree Ballabh Fomra Age: 51 Years Designation: Managing Director Address: FE 515 Salt Lake City, Kolkata - 700091 West Bengal, India Experience: 34 Years Occupation: Business Qualifications: B. Com Graduate Nationality: Indian DIN: 00633292	Originally appointed in the board as First Director of the Company on February 01, 1991.  Further, designated as Managing Director for a term of 5 years w.e.f March 10, 2018 not liable to retire by rotation vide EGM Dated April 07, 2018	1,79,690 Equity Shares; [1.20% of Pre- Issue Paid up capital]	Shreyash Aluminum & Alloys Private Limited
3.	Mr. Vijay Kumar Fomra Father's Name: Shree Ballabh Fomra Age: 49 Years Designation: Whole-Time Director Address: FE 515 Salt Lake City, Sector-III, Kolkata - 700091 West Bengal, India Experience: 30 Years Occupation: Business Qualifications: B. Com Graduate	Originally appointed on board as an Additional Director vide Board Meeting dated November 25, 1993 and regularized as Director in the next AGM.  Further, designated as Whole Time Director for a term of 5 years w.e.f March 10, 2018 liable to retire by rotation vide	2,39,330 Equity Shares; [1.67% of Pre- Issue Paid up capital]	Radhika Transmission Private Limited



Sr. No.	Name, Father's, Age, Designation, Address, Experience, Occupation, Qualifications, Nationality & DIN	Date of Appointment	No. of Equity Shares held & % of Share holding (Pre Issue)	Other Directorships
	Nationality: Indian DIN: 00633315	EGM Dated April 07, 2018		
4.	Mrs. Manita Mittal Father's Name: Balkishan Agarwal Age: 42 Years Designation: Independent Director Address: 127, B K Paul Avenue 4 <sup>th</sup> Floor Hatkhole, Kolkata, 700005, West Bengal Experience: Nil Occupation: Business Qualifications: Higher Secondary Nationality: Indian DIN: 08141151	Originally appointed in board as an Independent Director vide EGM dated May 26, 2018 for a term of 5 years	-	-
5.	Mr. Sekhar Kumar Halder Father's Name: Late Salil Kumar Halder Age: 61 Years Designation: Independent Director Address: 28/1/1, Salimpur Road, Post Dhakuria, Kolkata – 7000031, West Bengal Experience: 42 Years Occupation: Retired Bank Official Qualifications: M. Com, FCMA and LLB Nationality: Indian DIN: 08141154	Originally appointed in board as an Independent Director vide EGM dated May 26, 2018 for a term of 5 years	-	<u>-</u>

#### **Brief Biography of Directors**

**Mr. Shree Ballabh Fomra** Aged 75 years, is Chairman and Non Executive Director and also one of the Promoter of our Company. He holds a degree of Bachelor of Commerce, he was originally appointed on the board on February 14, 2005 and further designated as Chairman and Non Executive Director vide Board Meeting dated March 10, 2018. He is having around 50 years of rich experience in Power transmission and distribution industries and was one of the key founder of our Company. Under his guidance we have established our manufacturing units and substantial growth of Company has been achieved over past years since its inceptions.

**Mr. Madan Mohan Fomra** aged 51, is the Managing Director and also one of the Promoter of our Company. He holds a degree of Bachelor of Commerce. He was originally appointed on the board as first director on incorporation dated February 1, 1991 and further designated as Managing Director for a term of 5 year w.e.f. March 10, 2018 vide EGM dated April 07, 2018. He has more than 30 years experience in the field of cable and conductor business. He was awarded Udyog Patra award in 2010 by the Institute of Trade & Industrial



Development, New Delhi recognizing his hard work, self reliance for the growth of industry. Currently he looks after the business development, planning and administration of the group

**Mr. Vijay Kumar Fomra** aged 49, is the Whole Time Director and also one of the Promoter of Our Company. He holds a degree of bachelor of Commerce from University of Calcutta. He was originally appointed as Additional Director vide board meeting dated November 25, 1993 and was regularized as director in the next AGM. Further He was designated as Whole Time Director for a term of 5 years w.e.f. March 10, 2018 vide EGM dated April 07, 2018. He has around 30 years experience in the field of cable and conductor business. Currently he looks after the Finance and EPC Division along with Project Execution & Corporate Social Responsibility of the group.

**Mrs. Manita Mittal** aged 42 years is the Independent Director of our Company. She has cleared the higher secondary examination. She was appointed as Independent Director for terms of 5 Years vide EGM dated May 26, 2018.

**Mr. Sekhar Kumar Halder** aged 61 years is the Independent Director of our Company. He holds degree of Bachelor of Laws and Master of Commerce from the University of Calcutta. He is also a Fellow Member of The Institute of Cost Accountants of India. He has around 42 years of experience in the field of Banking and Finance. He was appointed as Independent Director for a term of 5 Years vide EGM dated May 26, 2018

#### **Confirmations**

- None of our Directors is or was a director of any listed company whose shares have been or were suspended
  from being traded on the BSE or the NSE during his tenure of directorship in last five years prior to the date of
  this Draft Red Herring Prospectus.
- None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchanges during the tenure of their directorship in such company.
- None of the Directors are on the RBI list of willful defaulters as on the date of filling of this Draft Red Herring Prospectus.
- Further, our Company, our Promoters, persons forming part of our Promoter Group, Directors and person in control of our Company, has not been not debarred from accessing the capital market by SEBI or any other Regulatory Authority.

#### Nature of any family relationship between our Directors:

Except as mentioned below, none of our Directors are related to each other within the meaning of section 2 (77) of the Companies Act, 2013:

Sr.	Name of the Director	Relationship with other Directors	
No			
1.	Shree Ballabh Fomra	Father of Mr. Madan Mohan Fomra and Mr. Vijay Kumar Fomra	
2.	Mr. Madan Mohan Fomra	Son of Shree Ballabh Fomra	
3.	Mr. Vijay Kumar Fomra	Son of Shree Ballabh Fomra	
4.	Mr. Madan Mohan Fomra	Brother of Mr. Vijay Kumar Fomra	
5.	Mr. Vijay Kumar Fomra	Brother of Mr. Madan Mohan Fomra	

# Arrangements with major Shareholders, Customers, Suppliers or Others:

Except as disclosed under chapter titled "History and certain Corporate matters" beginning on page 151 of this Draft Red Herring Prospectus, We have not entered into any arrangement or understanding with our major shareholders, customers, suppliers or others, pursuant to which any of our Directors were selected as Directors or members of the senior management.



#### **Service Contracts:**

The Directors of our Company have not entered into any service contracts with our company which provides for benefits upon termination of their employment.

#### **Details of Borrowing Powers of Directors**

Our Company has passed a special resolution in the Extra-Ordinary General Meeting of the members held on April 07, 2018 authorizing the Directors of the Company under Section 180 (1) (c) of the Companies Act, 2013 to borrow from time to time all such money as they may deem necessary for the purpose of business of our Company notwithstanding that money borrowed by the Company together with the monies already borrowed by our Company may exceed the aggregate of the paid up share capital and free reserves provided that the total amount borrowed by the Board of Directors shall not exceed the sum of Rs. 500 Crores (Rupees Five Hundred Crores Only).

#### Compensation of our Managing Director & Whole-time Director

The compensation payable to our Managing Director and Whole-time Directors will be governed as per the terms of their appointment and shall be subject to the provisions of Sections 2(54), 2(94), 188, 196, 197, 198 and 203 and any other applicable provisions, if any of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made there under (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).

#### The following compensation has been approved for Managing Director and Whole Time Directors:

Particulars	Mr. Madan Mohan Fomra	Mr. Vijay Kumar Fomra
	Originally appointed as first	Originally appointed as Additional
Appointment	director of the Company on	Director of the Company in the
	February 01, 1991.	Board Meeting held on 25.11.1993.
	Further, designated as	Regularized as director in the AGM.
	Managing Director in the	Further, designated as Whole-Time
Re-appointment/Change in	Extra Ordinary General	Director in the Extra Ordinary
Designation	Meeting dated April 07, 2018	General Meeting dated April 07,
	for a period of 5 years w.e.f.	2018 for a period of 5 years w.e.f.
	March 10, 2018.	March 10, 2018.
Designation	Managing Director	Whole-Time Director
Term of Appointment	5 years	5 years
Remuneration & Perquisites	₹60,00,000/- p.a.	₹60,00,000/- p.a.
Compensation paid in the year 2016-17	₹ 18,00,000/- p.a.	₹ 18,00,000/- p.a.

# **Bonus or Profit Sharing Plan for our Directors**

We have no bonus or profit sharing plan for our Directors.

#### **Sitting Fees**

The Articles of Association of our Company provides for payment of sitting fees to Directors (other than Managing Director & Whole-time Directors), not exceeding Rs. 1.00 Lac to be fixed by Board of directors from time to time, for attending a meeting of the Board or a Committee thereof. Our Board of Directors has resolved & approved in their meeting dated May 30, 2018 for payment of an amount of Rs. 50,000/- per Board Meeting and Rs. 15,000/- per Committee meeting to all Non-executive Directors for attending each such meeting of the Board or Committee thereof.

#### Shareholding of our Directors as on the date of this Draft Red Herring Prospectus



Sr. No.	Name of the Director	No. of Shares Held	Holding in %
1.	Mr. Shree Ballabh Fomra	7,58,100	5.30
2.	Mr. Madan Mohan Fomra	1,79,690	1.20
3.	Mr. Vijay Kumar Fomra	2,39,330	1.67
	Total	11,77,030	8.17

None of the Independent Directors of the Company holds any Equity Shares of Company as on the date of this Draft Red Herring Prospectus.

Our Articles of Association do not require our Directors to hold any qualification Equity Shares in the Company.

#### INTEREST OF DIRECTORS

All the Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses payable to them under the Articles, and to the extent of remuneration paid to them for services rendered as an officer or employee of the Company. For further details, see- "Compensation of our Managing Director and Whole time Directors" beginning on Chapter titled "Our Management" page 156 of this Draft Red Herring Prospectus.

Our Directors may also be regarded as interested to the extent of their shareholding and dividend payable thereon, if any, and to the extent of Equity Shares, if any held by them in our Company or held by their relatives. Further our Director are also interested to the extent of unsecured loans, if any, given by them to our Company or by their relatives or by the companies/ firms in which they are interested as directors/Members/Partners. Further our Directors are also interested to the extent of loans, if any, taken by them or their relatives or taken by the companies/ firms in which they are interested as Directors/Members/Partners and for the details of Personal Guarantee given by Directors towards Financial facilities of our Company please refer to "Statement of Financial Indebtedness" and "Annexure C" of Section "Financial Information of the Company" on page 291 and 189 respectively of this Draft Red Herring Prospectus.

Except as stated otherwise in this Draft Red Herring Prospectus, our Company has not entered into any Contract, Agreements or Arrangements during the preceding two years from the date of the Draft Red Herring Prospectus in which the Directors are interested directly or indirectly and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be entered into with them.

Our Directors may also be deemed to be interested for the Personal Guarantee provided by them and their relatives for the financial assistance taken by our company from the Banks. Except as stated in this section "Our Management" or the section titled "Financial information of the Company - Related Party Transactions" beginning on page 156 and 189 respectively of this Draft Red Herring Prospectus, and except to the extent of shareholding in our Company, our Directors do not have any other interest in our business.

#### **Interest in the property of our Company**

Except for the property located at Mouza Bhagabatipur J.L. No. 7 P.S. Sankrail Dist. Howrah under Khatian NOS 1935,1936,1937,1938 & 1939 which has been purchased from Smt. Raj Kumari Forma, Smt. Rashmi Forma, Smt. Priti Forma & Smt. Shashikala Forma during the year 2014 by our company our Directors do not have any other interest in any property acquired/rented by our Company or proposed to be acquired by us as on date of Draft Red Herring Prospectus.

Our Directors have also provided their personal property as collateral security to secure the credit facilities availed by the Company from Banks.

# Changes in Board of Directors in Last 3 Years

Except as mentioned herein under, there were no other changes in the Board of Directors during the three years immediately preceding the date of last financial year.

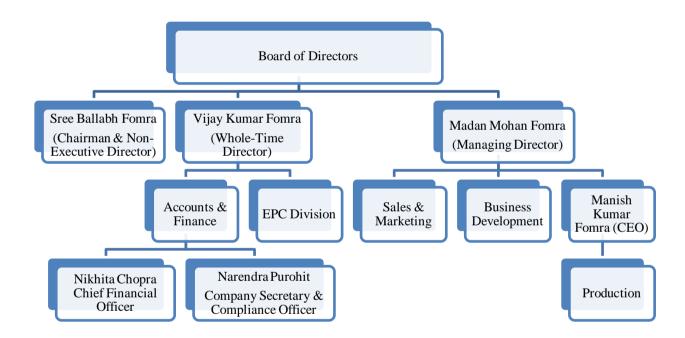
No. Name Re-Appointment / Reasons for Change Change in Designation	Sr. No.	Name		Reasons for Change
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1.	Mr. Madan Mohan Fomra	March 10, 2018	Change in Designation from Director to Managing Director for better corporate governance.
2.	Mr. Vijay Kumar Fomra	March 10, 2018	Change in Designation from Director to Whole-Time Director for better corporate governance.
3.	Mr. Shree Ballabh Fomra	March 10, 2018	Change in Designation from Executive to Chairman and Non-Executive Director for better corporate governance.
4.	Mrs. Manita Mittal	May 26, 2018	Appointment as Independent Director for better corporate governance and expansion of Board.
5.	Mr. Sekhar Kumar Halder	May 26, 2018	Appointment as Independent Director for better corporate governance and expansion of Board.

# **MANAGEMENT ORGANISATION STRUCTURE**

The following chart depicts our Management Organization Structure:-



# **COMPLIANCE WITH CORPORATE GOVERNANCE**

In addition to the applicable provisions of the Companies Act, 2013, provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI (ICDR) Regulations, 2009 will be applicable to our Company immediately upon the listing of our Company's Equity Shares on the SME Platform of NSE. The requirements pertaining to the Composition of the Board of Directors and the constitution of the committees such as the Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committees, as applicable on us, have been complied with.

Our Board has been constituted in compliance with the Companies Act and in accordance with the best practices in corporate governance. Our Board functions either as a full board or through various committees constituted to oversee specific operational areas. The executive management provides our Board detailed reports on its performance periodically.



Our Board of Directors consists of total Five (5) directors out of which Two (2) are Independent Directors including one woman director on the Board. The constitution of our Board is in compliance with Section 149 of the Companies Act, 2013.

Our Company has constituted the following committees:

#### a. Audit Committee

Our Company has constituted an Audit Committee ("Audit Committee"), vide Board Resolution dated May 30, 2018 as per the applicable provisions of the Section 177 of the Companies Act, 2013 and also to comply with Regulation 18 of SEBI Listing Regulations, 2015 applicable upon listing of the Company's Equity shares on SME platform of NSE ("NSE Emerge"), The constituted Audit Committee comprises following members:

Name of the Director	<b>Status in Committee</b>	Nature of Directorship
Mr. Sekhar Kumar Halder	Chairman	Independent Director
Mrs. Manita Mittal	Member	Independent Director
Mr. Madan Mohan Fomra	Member	Managing Director

The Company Secretary of our Company shall act as a Secretary to the Audit Committee. The Chairman of the Audit Committee shall attend the Annual General Meeting of our Company to answer shareholder queries. The scope and function of the Audit Committee and its terms of reference shall include the following:

- **A. Tenure:** The Audit Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Audit Committee as approved by the Board.
- **B.** Meetings of the Committee: The committee shall meet at least four times in a year and not more than 120 days shall elapse between any two meetings. The quorum for the meeting shall be either two members or one third of the members of the committee, whichever is higher but there shall be presence of minimum two Independent members at each meeting.
- **C. Role and Powers:** The Role of Audit Committee together with its powers as Part C of Schedule II of SEBI Listing Regulation, 2015 and Companies Act, 2013 shall be as under:
- 1. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- 2. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- 3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- 4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval;
- 5. Reviewing, with the management, the half yearly 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;
  - modified opinion(s) in the draft audit report;
- 6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- 7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- 8. Approval or any subsequent modification of transactions of the listed entity with related parties;
- 9. Scrutiny of inter-corporate loans and investments;
- 10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;



- 11. Evaluation of internal financial controls and risk management systems;
- 12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- 13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- 14. Discussion with internal auditors of any significant findings and follow up there on;
- 15. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company.
- 16. Discussing with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- 17. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- 18. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- 19. The Audit Committee shall have authority to investigate into any matter in relation to the items specified in section 177(4) of Companies Act 2013 or referred to it by the Board.
- 20. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- 21. To review the functioning of the whistle blower mechanism;
- 22. Approving the appointment of the Chief Financial Officer (i.e. the whole time finance director or any other person heading the finance function) after assessing the qualifications, experience and background, etc., of the candidate; and;
- 23. Audit committee shall oversee the vigil mechanism.
- 24. Audit Committee will facilitate KMP/auditor(s) of the Company to be heard in its meetings.
- 25. Carrying out any other function as is mentioned in the terms of reference of the audit committee or containing into SEBI Listing Regulations 2015.

Further, the Audit Committee shall mandatorily review the following:

- a) Management discussion and analysis of financial condition and results of operations;
- b) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d) Internal audit reports relating to internal control weaknesses; and
- e) The appointment, removal and terms of remuneration of the chief internal auditor
- f) Statement of deviations:
  - ➤ Half-yearly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

# b. Stakeholders Relationship Committee

Our Company has formed the Stakeholders Relationship Committee as per Regulation 20 of SEBI Listing Regulation, 2015 vide Resolution dated May 30, and 2018. The constituted Stakeholders Relationship Committee comprises the following:

Name of the Director	<b>Status in Committee</b>	Nature of Directorship
Mrs. Manita Mittal	Chairman	Independent Director
Mr. Sekhar Kumar Halder	Member	Independent Director
Mr. Vijay Kumar Fomra	Member	Whole Time Director

The Company Secretary of our Company shall act as a Secretary to the Stakeholders Relationship Committee The scope and function of the Stakeholders Relationship Committee and its terms of reference shall include the following:



- **A. Tenure:** The Stakeholders Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholders Relationship Committee as approved by the Board.
- **B.** Meetings: The Stakeholders Relationship Committee shall meet at least four times a year with maximum interval of four months between two meetings and shall report to the Board on a quarterly basis regarding the status of redressal of complaints received from the shareholders of the Company. The quorum shall be two members present.
- C. Terms of Reference: Redressal of shareholders' and investors' complaints, including and in respect of:
- Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the space at back for recording transfers have been fully utilized.
- > Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;
- Review the process and mechanism of redressal of Shareholders' /Investor's grievance and suggest measures of improving the system of redressal of Shareholders' /Investors' grievances.
- Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties.
- ➤ Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them.
- ➤ Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of insider Trading) Regulations, 2015 as amended from time to time.
- Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting, and
- Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

#### 3. Nomination and Remuneration Committee

Our Company has formed the Nomination and Remuneration Committee as per Regulation 19 of SEBI Listing Regulation, 2015 vide Resolution dated May 30, 2018. The Nomination and Remuneration Committee comprise the following:

Name of the Director	Status in Committee	Nature of Directorship
Mr. Sekhar Kumar Halder	Chairman	Independent Director
Mrs. Manita Mittal	Member	Independent Director
Mr. Shree Ballabh Fomra	Member	Non-Executive Director

The Company Secretary of our Company shall act as a Secretary to the Nomination and Remuneration Committee. The scope and function of the Committee and its terms of reference shall include the following:

**A. Tenure:** The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

**B.** Meetings: The committee shall meet as and when the need arises for review of Managerial Remuneration. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher. The Chairperson of the nomination and remuneration committee may be present at the annual general meeting, to answer the shareholders' queries; however, it shall be up to the chairperson to decide who shall answer the queries.

#### C. Role of Terms of Reference:

- ➤ Identify persons who are qualified to become directors and may be appointed in senior management in accordance with the criteria laid down, recommend to the Board for their appointment and removal and shall carry out evaluation of every director's performance;
- > Formulate the criteria for determining the qualifications, positive attributes and independence of a director



and recommend to the Board a policy relating to the remuneration for directors, KMPs and other employees;

- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Devising a policy on diversity of board of directors;
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- ➤ Determine our Company's policy on specific remuneration package for the Managing Director / Executive Director including pension rights;
- > Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors;
- ➤ Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose.
- ➤ Decide the amount of Commission payable to the Whole time Directors;
- Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc; and
- > To formulate and administer the Employee Stock Option Scheme.

# 4. Corporate Social Responsibility Committee ("CSR Committee")

The CSR Committee was re-constituted by a resolution of our Board dated May 30, 2018 in compliance with Section 135 of the Companies Act, 2013. The CSR Committee comprises the following:

Name of the Director	<b>Status in Committee</b>	Nature of Directorship
Mr. Madan Mohan Fomra	Chairman	Managing Director
Mr. Vijay Kumar Fomra	Member	Whole Time Director
Mrs. Manita Mittal	Member	Independent Director

The terms of reference of the CSR Committee include the following:

- i. Formulate and recommend to our Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by our Company as specified in Schedule VII to the Companies Act, 2013;
- ii. Recommend the amount of expenditure to be incurred on the activities referred to in clause (a) of subsection (3) of Section 135 of the Companies Act, 2013; and
- iii. Monitor the Corporate Social Responsibility Policy of our Company from time to time.

# POLICY ON DISCLOSURES AND INTERNAL PROCEDURE FOR PREVENTION OF INSIDER TRADING

The provisions of regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the SME platform of NSE. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of Equity Shares on stock exchanges. Further, Board of Directors at their meeting held on May 30, 2018 have approved and adopted the policy on insider trading in view of the proposed public Offer.

Mr. Narendra Purohit Company Secretary & Compliance Officer will be 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.

# POLICY FOR DETERMINATION OF MATERIALITY & MATERIALITY OF RELATED PARTY TRANSACTIONS AND ON DEALING WITH RELATED PARTY TRANSACTIONS

The provisions of the SEBI (Listing Obligation and Disclosures) Regulations, 2015 will be applicable to our Company immediately upon the listing of Equity Shares of our Company on SME Platform of NSE. We shall comply with the requirements of the SEBI (Listing Obligation and Disclosures) Regulations, 2015 on listing of Equity Shares on the SME platform of NSE. The Board of Directors at their meeting held on May 30, 2018 have approved and adopted the policy for determination of materiality and determination of materiality of related party transactions and on dealing with related party transactions.



#### KEY MANAGERIAL PERSONNEL

Our Company is supported by a team of professionals having exposure to various operational aspects of our business. A brief detail about the Key Managerial Personnel of our Company is provided below:

Name, Designation & Educational Qualification	Age (Years)	Year of joining	Compensatio n paid for F.Y. ended 2017 (in ₹ Lacs)	Overall experie nce (in years)	Previous employment
Name: Mr. Madan Mohan Fomra Designation - Managing Director Educational Qualification – B.Com	51	01.02.1991	18.00	34	Trading Business
Name: Mr. Vijay Kumar Fomra Designation – Whole-Time Director Educational Qualification – B.com from University of Calcutta	49	25.11.1993	18.00	30	Trading Business
Name: Mr. Narendra Purohit  Designation – Company Secretary and Compliance Officer  Educational Qualification – Company Secretary	36	30.05.2018		6	Practising CS
Name: Ms. Nikhita Chopra  Designation – Chief Financial Officer  Educational Qualification –  Chartered Accountant & M.Sc in accounts and Finance	27	24.05.2018	10.00	Nil	Nil
Name: Mr. Manish Kumar Fomra Designation – Chief Executive Officer Educational Qualification – B. Com.	43	30.05.2018	8.40	20	Nil

#### BRIEF PROFILE OF KEY MANAGERIAL PERSONNEL

Given below are the details of our Key Management Personnel, in addition to Mr. Madan Mohan Fomra, Managing Director and Mr. Vijay Kumar Fomra, the Whole Time Director of our Company, as on the date of this Draft Red Herring Prospectus. For details on profile of our Managing Director and Whole Time Director, kindly refer the chapter titled "Our Management" beginning on page 156 of this Draft Red Herring Prospectus.

**Mr. Narendra Purohit** aged 36 years, is Company Secretary and Compliance Officer of our Company. He heads secretarial and compliance departments of our Company. He holds a Masters degree of Business Administration in International Business from Pondicherry University and is also qualified Company Secretary from the Institute of Company Secretaries of India. He has 6 year of post-qualification experience in the fields of secretarial, legal compliance, corporate governance and corporate restructuring. Prior to joining our Company, he worked as a Practising Company Secretary. He was appointed Company Secretary and Compliance Officer of our Company with effect from May 30, 2018.

**Ms. Nikhita Chopra,** aged 27 years, is the Chief Financial Officer of our Company. She heads the accounts and financial reporting channels of our Company. She holds a degree in Master of Science in Accounts and Finance from London School of Economics and Political Science. She is a qualified Chartered Accountant from Institute of Chartered Accountants of India. She is also one of the Promoters of our Company and manages the complete accounts and finance of the Company.

**Mr. Manish Kumar Fomra,** aged 43 years, is the Chief Executive Officer of our Company. He has an overall experience of 20 years in the field of production and marketing of all kinds of Cables and Conductors. He holds a degree in Bachelor of Commerce from University of Calcutta. He currently looks after the overall planning and production at the manufacturing units and factory administration. He is also the Promoter of the Company.

We confirm that:



- All the persons named as our Key Managerial Personnel above are the permanent employees of our Company.
- b. Except as disclosed in this Draft Red Herring Prospectus, there is no understanding with major shareholders, customers, suppliers or any others pursuant to which any of the above mentioned Key Managerial Personnel have been recruited.
- c. None of our KMPs except Mr. Madan Mohan Fomra and Mr. Vijay Kumar Fomra is part of the Board of Directors.
- d. In respect of all above mentioned Key Managerial Personnel there has been no contingent or deferred compensation accrued for the year ended 31<sup>st</sup> March 2017.
- e. Except for the terms set forth in the appointment letters, the Key Managerial Personnel have not entered into any other contractual arrangements or service contracts (including retirement and termination benefits) with the issuer.
- f. Our Company does not have any bonus/profit sharing plan for any of the Key Managerial Personnel.
- g. None of the Key Managerial Personnel in our Company hold any shares of our Company as on the date of filing of this Draft Red Herring Prospectus except as under:-

Sr. No.	Name of the KMP	No. of Shares held
1	Mr. Madan Mohan Fomra	1,79,690
2	Mr. Vijay Kumar Fomra	2,39,330
3	Ms. Nikhita Chopra	2,27,500
4	Mr. Manish Kumar Fomra	4,06,000
	Total	10,52,520

- h. Presently, we do not have ESOP/ESPS scheme for our employees.
- i. The turnover of KMPs is not high, compared to the Industry to which our company belongs.

# RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL

The KMPs of the Company are related to each other within the meaning of section 2 (77) of the Companies Act, 2013. Details of which are as follows:

Sr. No.	Name of the KMP	Relationship with other KMP
1	Mr. Madan Mohan Fomra	Brother of Mr. Vijay Kumar Fomra, Mr. Manish Kumar
1		Fomra
2 Mr. Vijay Kumar Fomra Brother of		Brother of Mr. Madan Mohan Fomra, Mr. Manish Kumar
2		Fomra
3	Ms. Nikhita Chopra	Daughter of Mr. Madan Mohan Fomra
4	Mr. Manish Kumar Fomra	Brother of Mr. Madan Mohan Fomra, Vijay Kumar Fomra

**Payment of Benefits to Officers of our Company** (*non-salary related*) Except for any statutory payments made by our Company upon termination of services of its officer or employees, our Company has not paid any sum, any non-salary amount or benefit to any of its officers or to its employees including amounts towards super-annuation, ex-gratia/rewards.

# Changes in the Key Managerial Personnel in last three years:

Except as mentioned below, there has been no change in the Key Managerial Personnel of our Company during the last 3 (three) year:-

Name	Date of Change	Designation	Reason
Mr. Madan Mohan Fomra	March 10, 2018	Managing Director	Change in Designation from
		2 2	Director to Managing Director
			Change in Designation from
Mr. Vijay Kumar Fomra	March 10, 2018	Whole-Time Director	Director to Whole-Time
			Director
			To comply with the provisions
Ms. Nikhita Chopra	May 24, 2018	Chief Financial Officer	of The Companies Act 2013
			and better corporate governance



Mr. Narendra Purohit	May 30, 2018	Company Secretary & Compliance Officer	To comply with the provisions of The Companies Act 2013 and better corporate governance
Mr. Manish Kumar Fomra	May 30, 2018	Chief Executive Officer	To comply with the provisions of The Companies Act 2013 and better corporate governance

## **Interest of Our Key Managerial Persons**

Apart from the shares held in the Company and to extent of remuneration allowed and reimbursement of expenses incurred by them for or on behalf of the Company and to the extent of loans and advances made to or borrowed from the Company, none of our key managerial personal are interested in our Company. For details, please refer section titled "Financial information of the Company - Related Party Transactions" beginning on page 189 of this Draft Red Herring Prospectus

#### **Interest in the property of Our Company**

Except for the property located at Mouza Bhagabatipur J.L. No. 7 P.S. Sankrail Dist. Howrah under Khatian NOS 1935,1936,1937,1938 & 1939 which has been purchased from Smt. Raj Kumari Forma, Smt. Rashmi Forma, Smt. Priti Forma & Smt. Shashikala Forma during the year 2014 by our company our KMPs do not have any other interest in any property acquired/rented by our Company or proposed to be acquired by us as on date of Draft Red Herring Prospectus.

Except as provided in this Draft Red Herring Prospectus, we have not entered into any contract, agreement or arrangement during the preceding 2 (two) years from the date of this Draft Red Herring Prospectus in which the Key Managerial Personnel are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them.

For the details unsecured loan taken from or given to our Directors/KMPs and for details of transaction entered by them in the past please refer to "Note 30 – Restated standalone summary statement of related party transaction" page 235 of this Draft Red Herring Prospectus.

Further, our KMPs may be interested to the extent of personal guarantees given by them and their relatives in favour of the Company, for the details of Personal Guarantee given towards Financial facilities of our Company please refer to "Statement of Financial Indebtedness" and ""Financial Information of our Company" on page 291 and 189 respectively of this Draft Red Herring Prospectus.

#### OTHER BENEFITS TO OUR KEY MANAGERIAL PERSONNEL

Except as stated in this Draft Red Herring Prospectus, there are no other benefits payable to our Key Managerial Personnel.

#### **EMPLOYEES**

The details about our employees appear under the Paragraph titled "Human Resource" in Chapter titled "Our Business" beginning on page 125 of this Draft Red Herring Prospectus.



# PROMOTERS & PROMOTER GROUP

#### **Our Promoters:**

Shree Ballabh Fomra, Mr. Madan Mohan Fomra, Mr. Vijay Kumar Fomra, Mrs. Raj Kumari Fomra, SB Fomra (HUF), Mr. Shanti Prasad Fomra, M. M. Fomra (HUF), V. K. Fomra (HUF), Mr. Manish Kumar Fomra, M K Fomra (HUF) and Mrs. Nikhita Chopra are the Promoters of our Company. As on the date of this Draft Red Herring Prospectus, our Promoters hold, in aggregate, 47,26,085 Equity Shares, representing 31.65 % of the issued and paid-up equity capital of our Company. Our Promoters and Promoter Group will continue to hold the majority of our post-issue paid-up equity share capital of our Company.

# Brief Profile of our Promoters is as under:



Shree Ballabh Fomra - Chairman	Shree Ballabh Fomra – Chairman & Non Executive Director	
Qualification	B. Com.	
Age	75 years	
Address	FE 515 Salt Lake City, Kolkata -	
riduress	700091 West Bengal, India	
Experience	50 years	
Occupation	Business	
<b>Driving License Number</b>	Not Held	
Voter Identification Card No.	WB/20/139/867508	
No. of Equity Shares held in CIL	7,58,100 equity shares	
& [% of Shareholding (Pre	5.08%	
Issue)]	3.0070	
	Companies: Nil	
	LLP's: Nil	
Other Interests	Firms:	
Other Interests	1. S. B. Fomra & Co.	
	HUF:	
	1. S B Fomra (HUF) as Karta	
Mr. Madan Makan Fanna Man	a ain a Dinastan	



Mr. Madan Mohan Fomra – Managing Director		
Qualification	B. Com.	
Age	51 years	
Address	FE 515 Salt Lake City, Kolkata -	
Address	700091 West Bengal, India	
Experience	34 Years	
Occupation	Business	
Driving License Number	WB-0119860509243	
Voter Identification Card No.	DKN2573558	
No. of Equity Shares held in CIL & [% of Shareholding (Pre	1,79,690 equity shares 1.20%  Companies:	
	Private Limited	
	LLP's: Nil	
Other Interests	Firms:	
	1. S. B. Fomra & Co.	
	HUF:	
	1. M M Fomra (HUF) as Karta	
	2. S B Fomra (HUF) as Member	





	Mr. Vijay Kumar Fomra – Whole Time Director		
	Qualification	B. Com.	
	Age	49 years	
1	Address	FE 515 Salt Lake City, Sector-III,	
ı		Kolkata 700091 West Bengal, India	
ı	Experience	30 Years	
ı	Occupation	Business	
ı	Driving License Number	WB-0119860567389	
ı	Voter Identification Card No.	WB/20/139/867137	
No. of Equity Shares held in CIL 2,39,330 equity shares		2 30 330 aquity shares	
		1.60%	
ı	Issue)]	1.00%	
ı		Companies:	
ı		1. Radhika Transmission Private	
ı		Limited	
ı		LLP's: Nil	
ı	Other Interests	Firms:	
ı		1. S. B. Fomra & Co.	
ı		HUF:	
		1. V K Fomra (HUF) as Karta	
		2. S B Fomra (HUF) as Member	
	M D III I I		



Mrs. Raj Kumari Fomra	
Qualification	Matric
Age	71 years
Address	FE 515 Salt Lake City, Sector-III, Bidhannagar (M), Kolkata 700091 West Bengal, India
Experience	Nil
Occupation	Housewife
Driving License Number	Not Held
Voter Identification Card No.	WB/20/139/867507
No. of Equity Shares held in CIL & [% of Shareholding (Pre Issue)]	2,90,500 equity shares 1.95%
Other Interests	Companies: Nil LLP's: Nil Firms: Nil HUF: 1. S B Fomra (HUF) as Member
Mr. Shanti Prasad Fomra	



	1. B B I offina (ITCI ) as ivicinoes	
Mr. Shanti Prasad Fomra		
Qualification	Nil	
Age	61 years	
	FE 515 Salt Lake City, Sector-III,	
Address	Bidhannagar (M), Kolkata-700091	
	West Bengal, India	
Experience	Nil	
Occupation	Nil	
Driving License Number	Not Held	
Voter Identification Card No.	WB/20/139/867431	
No. of Equity Shares held in CIL & [% of Shareholding (Pre	10,61,200 equity shares	
Issue)]	7.11%	
Other Interests	Companies: Nil	
	LLP's: Nil	
	Firms: Nil	
	HUF: Nil	





Mr. Manish Kumar Fomra – Chief Executive Officer			
Qualification	B. Com.		
Age	43 years		
Address FE 515 Salt Lake City, Sector-II Bidhannagar (M), Kolkata-7000 West Bengal, India			
Experience	20 Years		
Occupation	Business		
Driving License Number	WB-011994668030		
Voter Identification Card No.	WB/20/139/867138		
No. of Equity Shares held in CIL & [% of Shareholding (Pre Issue)]	4,06,000 equity shares 2.72%		
Other Interests	Companies: 1) Shreyash Aluminium & Alloys Pvt Ltd 2) Radhika Transmission Pvt Ltd 3) Manro Finance & Traders Pvt Ltd 4) Venkateswar Concrete Pvt Ltd LLP's: Nil Firms: Nil HUF: 1. M K Fomra (HUF) as Karta 2. S B Fomra (HUF) as Member		



	2. S B Fomra (HUF) as Member			
Mrs. Nikhita Chopra – Chief Financial Officer				
Qualification	Chartered Accountant & M.Sc in			
Quanneation	Accounts and Finance			
Age	27 years			
	Girnar Appartment, 45 Jatin Das Road,			
Address	Near Priya Cinema Hall, Deshapriya			
riudi ess	Part, Sarat Bose Road, Kolkata-700029			
	West Bengal, India			
Experience	Nil			
Occupation	CFO, Cabcon India Limited			
<b>Driving License Number</b>	WB-012009726013			
Voter Identification Card No.	XOY1499870			
No. of Equity Shares held in CIL	2 27 500 aguity shares			
& [% of Shareholding (Pre	2,27,500 equity shares			
Issue)]				
	Companies: Nil			
	LLP's: Nil			
Other Interests	Firms: Nil			
	HUF:			
	1. M M Fomra HUF as Member			
S B Fomra HUF				
Karta	Mr. Shree Ballabh Fomra			
	Raj Kumari Fomra (wife)			
	Madan Mohan Fomra (son)			
Members	Vijay Kumar Fomra (son)			
	Manish Kumar Fomra (son)			
	Jayshree Gandhi (daughter)			
Address	P 40, India Exchange Place Dalhousie,			
Audress	Kolkata, West Bengal 700001			
Date of Incorporation	October 16, 1966			
No. of Equity Shares held in CIL	115500 equity shares			
& [% of Shareholding (Pre	0.77 %			
Issue)]	0.77 /0			
MM Fomra HUF				



	Karta	Madan Mohan Fomra		
		Rashmi Fomra (wife)		
	Members	Nikhita Chopra (daughter)		
		Radhika Fomra (daughter)		
	4.17	P 40, India Exchange Place Dalhousie,		
	Address	Kolkata, West Bengal 700001		
	Date of Incorporation	March 08, 1988		
	No. of Equity Shares held in CIL	507570 equity shares		
	& [% of Shareholding (Pre	3.40 %		
	Issue)]	3.40 %		
VK Fomra HUF				
	Karta	Mr. Vijay Kumar Fomra		
		Shashikala Fomra (wife)		
	Members	Siddharth Fomra (son)		
		Vedika Fomra (daughter)		
	Address	P 40, India Exchange Place Dalhousie,		
Addi		Kolkata, West Bengal 700001		
	Date of Incorporation	July 09, 1995		
	No. of Equity Shares held in CIL	540400 equity shares		
	& [% of Shareholding (Pre	1 *		
	Issue)]	3.62 %		
N	MK Fomra HUF			
	Karta	Mr. Manish Kumar Fomra		
		Priti Fomra (wife)		
	Members	Shreyash Fomra (son)		
		Vatsal Fomra (son)		
	Address	P 40, India Exchange Place Dalhousie,		
		Kolkata, West Bengal 700001		
	Date of Incorporation	ANCESTRAL		
	No. of Equity Shares held in CIL	400205 Fauita Chanas		
& [% of Shareholding (Pre		400295 Equity Shares		
	Issue)]	2.68%		

For brief biographies of our Promoters, please refer to Chapter titled "Our Management" beginning on page 156 of this Draft Red Herring Prospectus.

# **Confirmations/Declarations**

In relation to our individual Promoters, Shree Ballabh Fomra, Mr. Madan Mohan Fomra, Mr. Vijay Kumar Fomra, Mrs. Raj Kumari Fomra, Mr. Shanti Prasad Fomra, Mr. Manish Kumar Fomra and Mrs. Nikhita Chopra, our Company confirms that the PAN, bank account numbers and passport numbers (as available) have been submitted to National Stock Exchange of India Limited at the time of filing of this Draft Red Herring Prospectus. **Undertaking/Confirmations** 

None of our Promoters or Promoter Group or Group Companies has been (i) prohibited or debarred from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority or (ii) refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad. None of our Promoters is or have ever been a promoter, director or person in control of any other company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

Further, neither our Promoters, the relatives of our Promoters (as defined under the Companies Act) nor our Group Companies have been declared as a willful defaulter by the RBI or any other government authority and there are no violations of securities laws committed by them in the past and no proceedings for violation of securities laws are pending against them.

None of our Promoters, Promoter Group or the Group Company have become sick Companies under the erstwhile SICA or under the present IBC law and no application has been made in respect of any of them, to the Registrar of Companies for striking off their names. Further no winding up proceedings have been initiated



against the Promoters or the Group Companies except as stated under chapters "Risk Factors" and "Outstanding Litigations and Material Developments" on pages 18 and 306 of this Draft Red Herring Prospectus, respectively.

#### **Common Pursuits/ Conflict of Interest**

Our Group Company namely Radhika Transmission Private Limited is engaged in the business which to an extent, can be considered similar to that of our Company. Further, we have not entered into any non compete agreement with the said entity. We cannot assure that our Promoter who has common interest in said entity will not favour the interest of the said entity.

Further, we cannot also assure that our Promoters or Promoter Group will not promote any new entity in the similar line of business and will not favor the interests of the said entities over our interest or that the said Entity will not expand their businesses which may increase our chances of facing competition. This may adversely affect our business operations and financial condition of our Company. For further details, please see Risk Factors on page 18 of this Draft Red Herring Prospectus. For details of our Promoter Group and Group Companies refer to Section titled "Our Promoters and Promoter Group" & "Our Group Companies" on page 169 and 177 of this Draft Red Herring Prospectus.

We shall adopt the necessary procedures and practices as permitted by law to address any conflicting situations, as and when they may arise.

#### **Interest of our Promoters**

Interest of the Promoters in our Company as stated below:

#### Interest in promotion and shareholding of Our Company:

Our Promoters are interested in the promotion of our Company and also to the extent of their shareholding and shareholding of their relatives, from time to time, for which they are entitled to receive dividend payable, if any, and other distribution in respect of the Equity Shares held by them and their relatives.

As on the date of this Draft Red Herring Prospectus, our Promoters, Shree Ballabh Fomra, Mr. Madan Mohan Fomra, Mr. Vijay Kumar Fomra, Mrs. Raj Kumari Fomra, S B Fomra (HUF), Mr. Shanti Prasad Fomra, M. M. Fomra (HUF), V. K. Fomra (HUF), Mr. Manish Kumar Fomra, M K Fomra (HUF) and Mrs. Nikhita Chopra holds 47,26,085 Equity Shares, representing 31.65 % of the pre issue paid up Equity Share Capital of our Company. Our Promoters may also be deemed to be interested to the extent of their remuneration, as per the terms of their appointment and reimbursement of expenses payable to them and unsecured loan given by them to our Company, if any.

For details regarding the shareholding of our Promoters in our Company, please see "Capital Structure" on page 70 of this Draft Red Herring Prospectus

#### Interest in the property of Our Company:

Except for the property located at Mouza Bhagabatipur J.L. No. 7 P.S. Sankrail Dist. Howrah under Khatian NOS 1935,1936,1937,1938 & 1939 which has been purchased from Smt. Raj Kumari Forma, Smt. Rashmi Forma, Smt. Priti Forma & Smt. Shashikala Forma during the year 2014 by our company our Promoters do not have any other interest in any property acquired/rented by our Company or proposed to be acquired by us as on date of Draft Red Herring Prospectus.

# In transactions for acquisition of land, construction of building and supply of machinery

Except as stated in the Chapter titled "Financial Information of the Company – Note 30 – Restated standalone summary statement of related party transaction" and "Our Business" beginning on page 235 and 125 of this Draft Red Herring Prospectus, none of our promoter or promoter group entities are interested in any transactions for the acquisition of land, construction of building or supply of machinery.



#### Other Interests in our Company

For transactions in respect of loans and other monetary transactions entered in past please refer Note 30 – Restated standalone summary statement of related party transaction" on page 235 forming part of "Financial Information of the Company" of this Draft Red Herring Prospectus.

Further, our promoters may be interested to the extent of personal guarantees given by them and their relatives in favour of the Company, for the details of Personal Guarantee given by Promoters towards Financial facilities of our Company please refer to "Statement of Financial Indebtedness" and ""Financial Information of our Company" on page 291 and 189 respectively of this Draft Red Herring Prospectus.

#### Payment or Benefits to our Promoter and Promoter Group during the last 2 years:

For details of payments or benefits paid to our Promoter and promoter group, please refer to the paragraph "Compensation of our Managing Director" in the chapter titled "Our Management" beginning on page 156 also refer Note 30 – Restated standalone summary statement of related party transaction" on page 235 forming part of "Financial Information of the Company" and Paragraph on "Interest of Promoter" in chapter titled "Our Promoter and Promoter Group" on page 169 of this Draft Red Herring Prospectus.

#### Companies/Firms with which our Promoters have disassociated in the last (3) three years

Our Promoters have not disassociated themselves from any of the Companies, Firms or other entities during the last three years preceding the date of this Draft Red Herring Prospectus.

#### Other ventures of our Promoter

Save and except as disclosed in this section titled "Our Promoter & Promoter Group" and "Our Group Companies" beginning on page 169 and 177 respectively of this Draft Red Herring Prospectus, there are no ventures promoted by our Promoters in which they have any business interests/ other interests.

#### Litigation details pertaining to our Promoter

For details on litigations and disputes pending against the Promoters and defaults made by the Promoters please refer to the section titled "Outstanding Litigations and Material Developments" beginning on page 306 of this Draft Red Herring Prospectus.

#### **Related Party Transactions**

For the transactions with our Promoter Group entities please refer to section titled "Note 30 – Restated standalone summary statement of related party transaction" on page 235 of this Draft Red Herring Prospectus.

Except as stated in "Note 30 – Restated standalone summary statement of related party transaction" beginning on page 235 of this draft Red Herring Prospectus, and as stated therein, our Promoter or any of the Promoter Group Entities do not have any other interest in our business.

# Nature of family relationship between our Promoters:

All the individual promoters are family members. For the details of relationship between the Promoters of the Company please refer the section titled "*Our Promoter Group*".

#### **OUR PROMOTER GROUP**

In addition to the Promoters named above, the following natural persons are part of our Promoter Group:

#### 1. Natural Persons who are part of the Promoter Group

As per Regulation 2(1) (zb) (ii) of the SEBI (ICDR) Regulations, 2009, the Natural persons who are part of the Promoter Group (due to their relationship with the Promoters) are as follows:



Relationship with Promoter	Shree Ballabh Fomra	
Father	Late Shri Jugal Kishore Fomra	
Mother	Late Smt. Pana Bai Fomra	
Spouse	Mrs. Raj Kumari Fomra	
Brother	Mr. Shanti Prasad Fomra	
Sister	1) Mrs. Rama Devi Lakhani; 2) Late Smt. Premlata Lakhani; 3) Mrs. Durga	
	Devi Damani;	
	4) Mrs. Indu Devi Mohta; and 5) Mrs. Renu Kothari	
Son	1) Mr. Madan Mohan Fomra; 2) Mr. Vijay Kumar Fomra; and 3) Mr.	
	Manish Kumar Fomra	
Daughter	Mrs. Jayshree Gandhi	
Spouse's Father	Late Dwarika Das Rathi	
Spouse's Mother	Mrs. Rama Devi Rathi	
Spouse's Brother	1) Mr. Sri Kishan Rathi; 2) Mr. Brijmohan Rathi; 3) Mr. Man Mohan Rathi;	
	4) Mr. Mukund Lal Rathi; 5) Mr. Jagmohan Rathi; and 6) Mr. Sri Mohan	
	Rathi	
Spouse's Sister	1) Mrs. Magi Devi Tawari; and 2) Mrs. Chandra Kanta Lakhotia	
Relationship with Promoter	Mr. Madan Mohan Fomra	
Father	Mr. Shree Ballabh Fomra	
Mother	Mrs. Raj Kumari Fomra	
Spouse	Mrs. Rashmi Fomra	
Brother	1) Mr. Vijay Kumar Fomra; and 2) Mr. Manish Kumar Fomra	
Sister	Mrs. Jayshree Gandhi	
Daughter	1) Mrs. Nikhita Chopra; and 2) Miss Radhika Fomra	
Spouse's Father	Late Damodar Das Mohta	
Spouse's Mother	Mrs. Sarla Devi Mohta	
Spouse's Brother	Mr. Amit Mohta	
Relationship with Promoter	Mr. Vijay Kumar Fomra	
Father	Mr. Shree Ballabh Fomra	
Mother	Mrs. Raj Kumari Fomra Mrs. Shashikala Fomra	
Spouse Brother		
Sister	1) Mr. Madan Mohan Fomra; and 2) Mr. Manish Kumar Fomra Mrs. Jayshree Gandhi	
Son	1) Mr. Siddharth Fomra	
Daughter	Miss Vedika Fomra	
Spouse's Father	Mr. Govind Das Mohta	
Spouse's Mother	Mrs. Gayatri Devi Mohta	
Spouse's Brother	1) Mr. Mohan Das Mohta; and 2) Mr. Narayan Das Mohta	
Spouse's Sister	1) Mrs. Kiran Ladha	
Spouse s sister	2) Mrs. Krishna Devi Bhatted	
Relationship with Promoter	Mrs. Raj Kumari Fomra	
Father	Late Shri. Dwarika Das Rathi	
Mother	Mrs. Rama Devi Rathi	
Spouse	Mr. Shree Ballabh Fomra	
Brother	1) Mr. Sri Kishan Rathi; 2) Mr. Brijmohan Rathi; 3) Mr. Man Mohan Rathi;	
	4) Mr. Mukund Lal Rathi; 5) Mr. Jagmohan Rathi; and 6) Mr. Sri Mohan	
	Rathi	
Sister	1) Mrs. Masi Devi Tawari; and 2) Mrs. Chandra Kanta Lakhotia	
Son	1) Mr. Madan Mohan Fomra; 2) Mr. Vijay Kumar Fomra and 3) Mr.	
	Manish Kumar Fomra	
Daughter	Mrs. Jayshree Gandhi	
Spouse's Father	Late Jugal Kishore Fomra	
Spouse's Mother	Late Smt. Pana Bai Fomra	
Spouse's Brother	Mr. Shanti Prasad Fomra	
Spouse's Sister	1) Mrs. Rama Devi Lakhani; 2) Late Smt. Premlata Lakhani; 3) Mrs. Durga	
	Devi Damani; 4) Mrs. Indu Devi Mohta; and 5) Mrs. Renu Kothari	
Relationship with Promoter	Mr. Shanti Prasad Fomra	



Father	Late Shri. Jugal Kishore Fomra
Mother	Late Smt. Pana Bai Fomra
Brother	Mr. Shree Ballabh Fomra
Sister	1) Mrs. Rama Devi Lakhani; 2) Late Smt. Premlata Lakhani; 3) Mrs. Durga
Sister	Devi Damani; 4) Mrs. Indu Devi Mohta; and 5) Mrs. Renu Kothari
Relationship with Promoter	Mr. Manish Kumar Fomra
Father	Mr. Shree Ballabh Fomra
Mother	Mrs. Raj Kumari Fomra
Spouse	Mrs. Priti Fomra
Brother	1) Mr. Madan Mohan Fomra; and 2) Mr. Vijay Kumar Fomra
Sister	Mrs. Jayshree Gandhi
Son	1) Mr. Vatsal Fomra; and 2) Mr. Shreyash Fomra
Spouse's Father	Mr. Vijay Dujari
Spouse's Mother	Mrs. Pushpa Devi Dujari
Spouse's Brother	Mr. Navneet Dujari
Spouse's Sister	Mrs. Sapna Mundhra
Relationship with Promoter	Mrs. Nikhita Chopra
Father	Mr. Madan Mohan Fomra
Mother	Mrs. Rashmi Fomra
Spouse	Mr. Mohit Chopra
Sister	Miss Radhika Fomra
Spouse's Father	Mr. Rajiv Chopra
Spouse's Mother	Mrs. Sonia Chopra
Spouse's Brother	Mr. Ashish Chopra

# 2. Corporate Entities or Firms forming part of the Promoter Group

As per Regulation 2(1) (zb) (iv) of the SEBI (ICDR) Regulations, 2009, the following entities would form part of our Promoter Group:

	ui Promoter Group:			
S.	Nature of Relationship	Entity		
No.				
1	Any Body corporate in which 10% or more of the share capital is held by the Promoter or an immediate relative of the Promoter or a firm or HUF in which the Promoter or any one or more of his immediate relatives is a member	Companies: 1. Shreyash Aluminium & Alloys Private Limited 2. Radhika Transmission Private Limited 3. Manro Finance & Traders Private Limited 4. Venkateswar Concrete Private Limited		
2	Any company in which a company mentioned in (1) above, holds 10% or more, of the equity share capital	<ol> <li>Balgopal Commodeal Private Limited</li> <li>Bhavsagar Commodities Private Limited</li> </ol>		
3	Any HUF or firm in which the aggregate shareholding of the Promoter and his immediate relatives is equal to or more than 10% of the total	Partnership Firm:- S B Fomra & Co.  HUF's: 1. SB Fomra (HUF) 2. M M Fomra (HUF) 3. V K Fomra (HUF) 4. MK Fomra (HUF)		

# OTHER PERSONS INCLUDED IN PROMOTER GROUP:

In terms of Regulation 2(1) (zb) (v) of SEBI (ICDR) Regulations, 2009, Ms. Priyanka Gandhi and Ms. Swati Gandhi are also included in our Promoter Group.



#### **OUR GROUP COMPANIES**

In terms of the SEBI ICDR Regulations, and in terms of the policy of materiality defined by our Board, pursuant to its resolution dated May 30, 2018. our Group Companies include (i) companies included in the list of related parties prepared in accordance with applicable Accounting Standard in our audited financial statements for Fiscal 2017, except our Subsidiary and Promoters of our Company; or (ii) other material companies, namely, the companies (a) companies in which the investment in the form of equity or loan by our Company exceeds 10% of the net worth of our Company for the last audited financial year; (b) with which our Company has entered into one or more transactions in Financial Year 2017, cumulatively exceeding 10% of our total revenue for Financial Year 2017; or (c) companies with which our Company has undertaken a related party transaction after March 31, 2017 (if not already covered in (a) or (b)) and other companies considered material by our Board.

In terms of the Materiality Policy, for the purpose of disclosure in this Draft Red Herring Prospectus, a company is considered to be material to be a group company if it is a member of the Promoter Group and has entered into one or more transactions with our Company during Financial year 2017 or the stub period ended on January 31, 2018, which cumulatively in value exceeds 10% of the revenue of our Company for the Financial Year 2017 or the stub period ended on January 31, 2018 respectively, as per the Restated Standalone/Consolidated Financial Statements.

Following entity is identified as Group Company of our Company (excluding our Subsidiary Companies):-

- 1. Shreyash Aluminum & Alloys Private Limited
- 2. Radhika Transmission Private Limited
- 3. Manro Finance & Traders Private Limited
- 4. Bhavsagar Commodities Private Limited
- 5. Balgopal Commodeal Private Limited
- 6. Venkateswar Concrete Private Limited

The details of our Top Five Group Company are provided below:

# 1. Shreyash Aluminum & Alloys Private Limited

Shreyash Aluminum & Alloys Private Limited was incorporated on May 30, 2007 as a Private Limited Company vide Registration no. 116231 under the provisions of the Companies Act, 1956 with the Registrar of Companies, West Bengal.

The Company is engaged in the business of manufactures, processors, converters, producers, exporters, importers, traders, dealers, distributors, buyers, sellers in all kinds of ACSR, AAC & Aluminium alloy conductor and all types of cables & wires.

CIN	U27203WB2007PTC116231		
PAN	AALCS0390M		
Registered Office Address	4A, Pollock Street Room No 17, Kolkata, West Bengal-700001 India		
Board of Directors*	Name DIN		
	Madan Mohan For	mra	00633292
	Manish Kumar Fomra 00633352		00633352
	( Rs.in lacs rounded off except per share data)		
Audited Financial Information	For The Year Ended		
	March 31, 2017	March 31, 2016	March 31, 2015
Paid Up Equity Share Capital	79.25	79.25	79.25
Reserves and Surplus	1036.90	975.42	914.67
Net worth	1116.15	1054.67	993.92
Income including other income and exceptional items	7234.04	7161.27	8886.03
Profit/ (Loss) after tax	63.89	60.75	79.10
Earnings per share (face value of Rs. 10 each)	8.06	7.66	9.97



Net asset value per share (Rs)	140.75	133.00	125.34
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<sup>\*</sup>As on date of Draft Red Herring Prospectus

#### Shareholding Pattern as on the date of this Draft Red Herring Prospectus is as follows:

Name of the Equity Shareholder	No. of Shares held	%age of Shareholding
Vijay Kumar Fomra	2500	0.25
Madan Mohan Fomra	19375	1.97
Manish Kumar Fomra	19375	1.97
Radhika Fomra	5000	0.51
Raj Kumari Fomra	6000	0.61
S. B. Fomra (HUF)	6000	0.61
V. K. Fomra (HUF)	16250	1.65
M. K. Fomra (HUF)	27000	2.75
M. M. Fomra (HUF)	27000	2.75
Shree Ballabh Fomra	9000	0.92
Mukund Lal Rathi (HUF)	10000	1.02
Priti Fomra	12500	1.27
Rashmi Fomra	12500	1.27
Shashikala Fomra	12500	1.27
Saroj Rathi	15000	1.53
Shanti Prasad Fomra	19990	2.03
Balgopal Commodeal Pvt Ltd	138000	14.05
Bhavsagar Commodities Pvt Ltd	137250	13.97
Manro Finance & Traders Pvt Ltd	147250	14.99
Lucky Prime Dealer Pvt Ltd	75000	7.63
Rasili Barter Pvt Ltd	75000	7.63
R.K. Gandhi-(HUF)	10	0.00
Vasundhara Kayan	65800	6.70
Priyamvada Kayan	33000	3.36
Gandheshwari Traders Pvt Ltd	52000	5.29
Sunil Kayan	7200	0.73
Dhanwantri Suppliers Pvt Ltd	32000	3.26
TOTAL	982500	100.00

# Nature and extent of interest of our Promoters and Promoter Group Members

The promoters of our company are the Directors of Shreyash Aluminium & Alloys Private Limited. Further, our promoters and promoter group members may be deemed to be interest to the extent of their shareholding and the shareholding of their relatives. Shreyash Aluminium & Alloys Private Limited is an unlisted Company and it has not made any public issue (including any rights issue to the public) in the preceding three years. It has not become a sick Company nor is under winding up.

There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against the Company.

#### 2. Radhika Transmission Private Limited

Radhika Transmission Private Limited was incorporated on May 25, 2004 as a Private Limited Company vide Registration no. 098635 under the provisions of the Companies Act, 1956 with the Registrar of Companies, West Bengal.

The Company is engaged in the business of manufacture, processor, assemble, design, import, export, sell, buy or deal in all kind of cables, wires etc. and their compound to cover these wires with rubber wire or any other conductor and all other things required for turnkey job of erection/installation of overhead/underground transmission lines, towers, substations and allied works for generation-transmission distribution of electrical power, components and accessories, accumulation and supply of employment of electricity.



CIN	U28999WB2004P	TC098635	
PAN	AACCR8981J		
Registered Office Address	Swaika Centre, 4	A,Pollockstreet,	Ground Floor R.No.17,
	Kolkata-700001 V	Vest Bengal India	
Board of Directors*	Name		DIN
	Vijay Kumar Fom	ra	00633315
	Manish Kumar Fo	mra	00633352
	( Rs.in lacs rounded off except per share data)		
Audited Financial Information	For The Year Ended		
	March 31, 2017   March 31, 2016   March 31, 2015		
Paid Up Equity Share Capital	42.37 42.37 42.37		
Reserves and Surplus	300.78 283.62 270.23		270.23
Net worth	343.15	325.99	312.60
Income including other income and exceptional items	1232.93	934.14	1732.31
Profit/ (Loss) after tax	17.16	13.39	79.10
Earnings per share (face value of Rs. 10 each)	4.05	3.16	18.67
Net asset value per share (Rs)	80.93	76.88	73.73

<sup>\*</sup>As on date of Draft Red Herring Prospectus

# Shareholding Pattern as on the date of this Draft Red Herring Prospectus is as follows:

Name of the Equity Shareholder	No. of Shares held	%age of Shareholding
Vijay Kumar Fomra	36600	8.64
Rashmi Fomra	12000	2.83
Sanjeev Binani	10000	2.36
Madan Mohan Fomra	26600	6.28
Manish Kumar Fomra	54000	12.74
V.K.Fomra - HUF	31000	7.32
M.M. Fomra -HUF	23000	5.43
Vikash Rathi	49000	11.56
Shanti Prasad Fomra	70500	16.64
M.K.Fomra HUF	3000	0.71
Priti Fomra	5000	1.18
Manro Finance & Traders Pvt Ltd	68000	16.05
Balgopal Commodeal Pvt Ltd	35000	8.26
TOTAL	423700	100.00

# Nature and extent of interest of our Promoters and Promoter Group Members

The promoters of our company are the Directors of Radhika Transmission Private Limited. Further, our promoters and promoter group members may be deemed to be interest to the extent of their shareholding and the shareholding of their relatives. Radhika Transmission Private Limited is an unlisted Company and it has not made any public issue (including any rights issue to the public) in the preceding three years. It has not become a sick Company nor is under winding up.

There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against the Company.

#### 3. Manro Finance & Traders Private Limited

Manro Finance & Traders Private Limited was incorporated on December 15, 1992 as a Private Limited Company vide Registration no. 057169 under the provisions of the Companies Act, 1956 with the Registrar of Companies, West Bengal, Kolkata. Manro Finance & Traders Private Limited has been registered as a Non Deposit accepting Non Banking Financial Company (NBFC) with Reserve Bank of India.

The company is engaged in the business of Financiers of industrial, commercial and other enterprises and general financiers, real estate owner, real estate agents, brokers and dealers of and in shares, stocks, debentures,



securities, bonds etc. To receive on deposit or borrow and raise money provided that the Company shall not carry on the business of Banking as defined under the Banking Regulation Act, 1949.

CIN	U65999WB1992PTC057169		
PAN	AABCM7443B		
Registered Office Address	P-40, India Excha	nge Place, Ground	Floor, Kolkata ,West
	Bengal-700001, Ir	ndia	
Board of Directors*	Name		DIN
	Kamal Kumar Cha	angia	00387056
	Manish Kumar Fo	mra	00633352
	(Rs. In Lac.	s rounded off excep	ot per share data)
Audited Financial Information	For The Year Ended		
	March 31, 2017   March 31, 2016   March 31, 2015		March 31, 2015
Paid Up Equity Share Capital	74.98 74.98 74.98		74.98
Reserves and Surplus	216.46 215.64 236.0		236.69
Net worth	291.44	290.62	311.67
Income including other income and exceptional items	128.70	90.84	53.50
Profit/ (Loss) after tax	0.89	(21.31)	6.33
Earnings per share (face value of Rs. 10 each)	0.12	(2.84)	0.84
Net asset value per share (Rs)	38.86	38.75	41.56

<sup>\*</sup>As on date of Draft Red Herring Prospectus

# Shareholding Pattern as on the date of this Draft Red Herring Prospectus is as follows:

Name of the Equity Shareholder	No. of Shares held	%age of Shareholding
Shanti Prasad Fomra	119785	14.10
Sanjeev Binani	92000	10.83
Rashmi Fomra	90000	10.59
Shashikala Fomra	91000	10.71
Priti Fomra	91000	10.71
Kamal Kumar Changia	46000	5.41
Shree Ballabh Fomra	20000	2.35
Bhavsagar Commodities Pvt Ltd	100000	11.77
Balgopal Commodeal Pvt Ltd	100000	11.77
Ankita Daga	1	0.00
Ganga Devi Daga	1	0.00
Kiran Daga	1	0.00
Manmohan Daga	1	0.00
Mayank Daga	1	0.00
Vedant Daga	1	0.00
Chandrakanta Lakhotia	1	0.00
Mukund Lal Rathi	1	0.00
Nikhita Chopra	1	0.00
Radhika Fomra	1	0.00
Renu Kothari	1	0.00
Saroj Rathi	1	0.00
Siddharth Fomra	1	0.00
Rajkumar Fomra	1	0.00
Jayesh Rathi	1	0.00
Gandeshwari Traders Private Limited	100000	11.77
TOTAL	849800	100.00

Nature and extent of interest of our Promoters and Promoter Group Members



Our promoters and promoter group members may be deemed to be interest to the extent of their shareholding and the shareholding of their relatives. Manro Finance & Traders Private Limited is an unlisted Company and it has not made any public issue (including any rights issue to the public) in the preceding three years. It has not become a sick Company nor is under winding up.

#### 4. Bhavsagar Commodities Private Limited

Bhavsagar Commodities Private Limited was incorporated on October 23, 2007 as a Private Limited Company vide Registration no.119934 under the provisions of the Companies Act, 1956 with the Registrar of Companies, West Bengal, Kolkata.

The Company is engaged in the business as buyers, sellers, suppliers, growers, traders, merchants, indentures brokers, agents, assemblers, stockiest of goods and commodities of any kind to work as commission agents, brokers, contractors, processors order suppliers and dealing agents.

CIN	U51109WB2007P	U51109WB2007PTC119934		
PAN	AADCB3738Q			
Registered Office Address	P-40, India Excha	nge Place, Ground I	Floor, Kolkata ,West	
	Bengal-700001, Ir	ndia		
Board of Directors*	Name		DIN	
	Kamal Kumar Cha	angia	00387056	
	Anand Kumar Aga	arwal	07390252	
	(Rs. In Lac.	s rounded off excep	ot per share data)	
Audited Financial Information	For The Year Ended			
	March 31, 2017   March 31, 2016   March 31, 2015		March 31, 2015	
Paid Up Equity Share Capital	63.20 63.20 63.20			
Reserves and Surplus	208.37 252.60 250.52		250.52	
Net worth	271.57	315.80	313.72	
Income including other income and exceptional items	6.19	-	-	
Profit/ (Loss) after tax	(43.78)	2.09	0.89	
Earnings per share (face value of Rs. 10 each)	(6.93)	0.33	0.14	
Net asset value per share (Rs)	38.86	38.75	49.64	

<sup>\*</sup>As on date of Draft Red Herring Prospectus

#### Shareholding Pattern as on the date of this Draft Red Herring Prospectus is as follows:

Name of the Equity Shareholder	No. of Shares held	%age of Shareholding
Balgopal Commodeal Pvt Ltd	300000	47.47
Manro Finance & Traders Pvt Ltd	300000	47.47
M. K. Fomra (HUF)	32000	5.06
TOTAL	632000	100.00

#### Nature and extent of interest of our Promoters and Promoter Group Members

Our promoters and promoter group members may be deemed to be interest to the extent of their shareholding and the shareholding of their relatives. Bhavsagar Commodities Private Limited is an unlisted Company and it has not made any public issue (including any rights issue to the public) in the preceding three years. It has not become a sick Company nor is under winding up.

#### 5. Balgopal Commodeal Private Limited

Balgopal Commodeal Private Limited was incorporated on October 18, 2007 as a Private Limited Company vide Registration no. 119856 under the provisions of the Companies Act, 1956 with the Registrar of Companies, West Bengal.



The Company is engaged in the business as buyers, sellers, suppliers, growers, traders, merchants, indentures brokers, agents, assemblers, stockiest of goods and commodities of any kind to work as commission agents, brokers, contractors, processors order suppliers and dealing agents.

CIN	U51909WB2007P	TC119856	
PAN	AADCB3473E		
Registered Office Address	P-40, India Excha	nge Place, Ground	Floor, Kolkata ,West
	Bengal-700001, Ir	ndia	
Board of Directors*	Name		DIN
	Kamal Kumar Cha	angia	00387056
	Shil Changia		05124871
	(Rs. In Lac	s rounded off exce	pt per share data)
Audited Financial Information	For The Year Ended		nded
	March 31, 2017	March 31, 2016	March 31, 2015
Paid Up Equity Share Capital	24.71 24.71 24.71		24.71
Reserves and Surplus	435.41	451.19	456.12
Net worth	460.12	475.90	480.83
Income including other income and exceptional items	3.35	3.96	3.79
Profit/ (Loss) after tax	(15.78)	(4.93)	0.46
Earnings per share (face value of Rs. 10 each)	(6.39)	(2.00)	0.18
Net asset value per share (Rs)	186.28	192.67	194.67

<sup>\*</sup>As on date of Draft Red Herring Prospectus

# Shareholding Pattern as on the date of this Draft Red Herring Prospectus is as follows:

Name of the Equity Shareholder	No. of Shares held	%age of Shareholding
Manro Finance & Traders Pvt. Ltd.	121600	49.21
Bhavsagar Commodities Pvt Ltd	115000	46.54
M. M. Fomra (HUF)	5250	2.12
V. K. Fomra (HUF)	5250	2.12
TOTAL	247100	100.00

#### Nature and extent of interest of our Promoters and Promoter Group Members

Our promoters and promoter group members may be deemed to be interest to the extent of their shareholding and the shareholding of their relatives. Balgopal Commodeal Pvt. Ltd. is an unlisted Company and it has not made any public issue (including any rights issue to the public) in the preceding three years. It has not become a sick Company nor is under winding up.

There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against the Company.

#### **Details of Other Companies**

#### 1. Venkateswar Concrete Private Limited

**Venkateswar Concrete Private Limited** was incorporated on May 26, 2016 as a Private Limited Company vide Registration no. 215943 under the provisions of the Companies Act, 2013 with the Registrar of Companies, West Bengal.

The Company is engaged in the business as manufaturers, processors, converters, producers, exporters, importers, traders, dealers, distributors, stockists, buyers, sellers, agents or merchants of all kind of PCC poles, ACSR, AAC & Aluminium Alloy conductor all types of cables and wires and all aluminium & aluminium alloy components thereof.



CIN	U74994WB2016PTC215943	
PAN	AABCO2862L	
Registered Office Address	3FB,1st Floor Action Area-1B,BG-12, Terminus	
	Building, New Town, Rajarhat, Kolkata, 700156, West	
	Bengal, India	
Board of Directors*	Name DIN	
	Manish Kumar Fomra 00633352	
	Siddharth Fomra 07496167	

<sup>\*</sup>As on date of Draft Red Herring Prospectus

There are no significant notes of the auditors in relation to the aforementioned financial statements for the last three financial years.

Shareholding Pattern as on the date of this Draft Red Herring Prospectus is as follows:

S. No.	Name of the Equity Shareholder	No. of Shares held	%age of Shareholding
1	Siddharth Fomra	7500	75.00
2	Kamal Kumar Changia	2500	25.00
	Total	10,000	100.00

#### Nature and extent of interest of our Promoters and Promoter Group Members

Our promoters and promoter group members may be deemed to be interest to the extent of their shareholding and the shareholding of their relatives. Venkateswar Concrete Private Limited is an unlisted Company and it has not made any public issue (including any rights issue to the public) in the preceding three years. It has not become a sick Company nor is under winding up.

There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against the Company.

# **Loss Making Company**

Our group Companies Manro Finance & Traders Private Limited, Bhavsagar Commodities Private Limited and Balgopal Commodeal Private Limited has made losses during the financial year 2015-16 and 2016-17. Thus the mentioned companies may be deemed to be as Loss making Companies.

### **Negative Net-worth Company**

The group company determined by our Board does not have a Negative Net-worth.

# **Litigations**

For details on litigations and disputes pending against the Group Companies, if any, please refer to the section titled "Outstanding Litigations and Material Developments" on page 306 of this Draft Red Herring Prospectus.

#### **Undertaking / confirmations**

None of our Promoter or Promoter Group or Group Company or person in control of our Company has been

- (i) prohibited or debarred from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority or
- (ii) Refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

None of our Promoters, person in control of our Company are or have ever been a promoter, director or person in control of any other company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.



Further, Neither our Promoter, the relatives of our Promoter (as defined under the Companies Act, 2013) nor our Group Company/entities have been declared as a willful defaulter by the RBI or any other government authority and there are no violations of securities laws committed by them in the past and no proceedings for violation of securities laws are pending against them.

None of our Promoter, Promoter Group Entities or the Group Company has become a sick Company and no application has been made in respect of any of them, to the Registrar of Companies for striking off their name. Further no winding up proceedings have been initiated against the Promoter or the Group Company.

# **Nature and Extent of Interest of Group Companies**

#### a) In the promotion of our Company:

None of our Group Company has any interest in the promotion of our Company. For details relating to shareholding or any other business interest, please refer to chapter titled "Capital Structure" on page 70 and "Financial Information of the Company" - Note 30 - Restated standalone summary statement of related party transaction on page 235 of this Draft Red Herring Prospectus.

# b) In the properties acquired or proposed to be acquired by our Company in the past two years before filing the Prospectus with stock exchange:

Except as disclosed in this Draft Red Herring Prospectus, our Group Company does not have any interest in the properties acquired or proposed to be acquired by our Company in the past two years before filing the Draft Red Herring Prospectus with Stock Exchange.

#### c) In transactions for acquisition of land, construction of building and supply of machinery

None of our Group Companies are interested in any transactions for the acquisition of land, construction of building or supply of machinery.

#### d) Other Interests

Our Group Company namely Radhika Transmission Private Limited, Manro Finance & Traders Pvt Ltd, Balgopal Comodeal Pvt Ltd & Bhavsagar Commodities Pvt Ltd has provided corporate guarantee for the financial assistance secured by our company. Further, except as stated in the Chapter titled "Financial Information of Our Company" in "Note 30 – Restated standalone summary statement of related party transaction" of this Draft Red Herring Prospectus, our Group Company do not have any other interest in our Company's business.

# **Common Pursuits/Conflict of Interest**

Our Group Company, Radhika Transmission Private Limited is engaged in the same line of business as our Company.

As on the date of the Draft Red Herring Prospectus, we cannot assure that our Promoters, Promoter Group/Group Entities will not promote any new entity in the similar line of business and will not favor the interests of the said entities over our interest or that the said entities will not expand their businesses which may increase our chances of facing competition. This may adversely affect our business operations and financial condition of our Company.

We shall adopt the necessary procedures and practices as permitted by law to address any conflicting situations, as and when they may arise.

# Related business transaction within the Group and their significance on the financial performance of the company:

For details relating to the business transactions within the Group Companies and their significance on the financial performance of the Company see the chapter titled "Financial Information of the Company - Note 30"



 Restated standalone summary statement of related party transaction" on page 235 of this Draft Red Herring Prospectus.

# Sales / Purchase between our Company and Group Companies:

For details relating to sales or purchases between our Company and any of our Group Companies please see the chapter titled "Financial Information of the Company— Note 30 — Restated standalone summary statement of related party transaction" on page 235 of this Draft Red Herring Prospectus.

# **Business Interests amongst our Company and Group Companies**

Except as mentioned under Related Party Transactions, "Note 30 – Restated standalone summary statement of related party transaction" beginning on page 235 under Chapter titled "Financial Information of the Company" there is no business interest among Group Companies.

# **Defunct /Struck-off Company**

None of our Promoter, Promoter Group and our Group Companies has remained defunct and no application has been made to Registrar of Companies for Striking off their name from the Register of Companies, during the five years preceding the date of filing this Draft Red Herring Prospectus.



# **OUR SUBSIDIARY COMPANY**

As on date of this Draft Red Herring Prospectus, Our Company has one Subsidiary Company the details of the same are as below:-

# Holistic Properties Private Limited (Wholly Owned Subsidiary)

<b>Brief Description of Business</b>	To carry on the bus	siness of real	estate d	leveloper, real estate	
Ditti Description of Dasiness	marketing agents, to acquire by purchase, lease, exchange, hir				
	or otherwise and develop or operate land, building and				
	hereditaments of any tenure or description including agricultura				
	land, mines, quarries, tea or coffee gardens, farms, gardens,				
	orchards, groves, plantations and any estate or interest therein				
	and any right over or connected with land and buildings so				
	situated and develop or to turn the same to account as may seem				
				building sites and by	
				proving, decorating, flats, entertainment	
				on halls, exhibition	
				opping malls, houses,	
	restaurants, market				
				es, hostels, gardens,	
	swimming pools,			ldings, work and	
				niring or disposing of	
				and other properties	
	whether belonging to the Company or not and to collect rents				
	and income and to supply tenants and occupiers facilities,				
	refreshments, attendants, light, waiting rooms, reading rooms				
Date of Incorporation	meeting rooms, electric conveniences and other advantages.  July 08, 2011			uici auvantages.	
CIN	U70109WB2011PTC	164687			
PAN	AACCH6982P	2101007			
Registered Office Address		loor, Action A	rea- IE	B, Newtown Kolkata	
	Kolkata-700156 Wes				
Board of Directors*	Name			DIN	
	Kamal Kumar Chang			00387056	
	Anand Kumar Agarw			07390252	
Audited Financial Information		rounded off ex For The Year		r share data)	
Audited Financial Information	March 31, 2017	March 31,		March 31, 2015	
Paid Up Equity Share Capital	22.76	22.76		22.76	
Reserves and Surplus	197.74	197.14		196.43	
Net worth	220.50	219.9		219.19	
Income including other income and exceptional items	1.20	1.20		2.40	
Profit/ (Loss) after tax	0.60	0.70		0.41	
Earnings per share (face value ₹ 10					
	0.26	0.31		0.18	
each)  Net asset value per share (Rs)	0.26 96.88	0.31 96.62		96.31	

<sup>\*</sup>As on date of Draft Red Herring Prospectus

# Shareholding Pattern as on the date of this Draft Red Herring Prospectus is as follows:

Name of the Equity Shareholder	No. of Shares held	%age of Shareholding
Cabcon India Limited	2,27,590	99.99
Vijay Kumar Fomra*	10	0.01
TOTAL	2,27,600	100

<sup>\*</sup>Jointly held by Vijay Kumar Fomra (as a nominee shareholder of the Company) and our Company.



#### Nature and extent of interest of our Promoter

Holistic Properties Private Limited is the wholly owned Subsidiary of Cabcon India Limited. Our Promoter and their relative are not holding the office of Board of Directors in Holistic Properties Private Limited. Holistic Properties Private Limited is an unlisted Company and it has not made any public issue (including any rights issue to the public) in the preceding three years. It has not become a sick Company nor is under winding up.

There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against the Company.

# **Undertaking/Confirmations:**

- 1) Our Subsidiary or person in control of our Company has not been
- i. Prohibited or debarred from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or any other authority or
- ii. Refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.
- 2) There are no accumulated profits or losses of our Subsidiaries that are not accounted for by our Company.

#### Nature and Extent of Interest of our Subsidiary

(a) In the properties acquired or proposed to be acquired by our Company in the past 2 years before filing the Prospectus with Stock Exchange

Our Subsidiary do not have any interest in any property acquired or proposed to be acquired by our Company during the period of two years before filing of this Draft Red Herring Prospectus with Stock Exchange.

#### (b) Other Interests

Our Subsidiary Company have provided corporate guarantee for the financial assistance secured by our company. Further, our Subsidiary Company does not hold any equity shares in the Company. Also, except as stated in the Chapter titled "Financial Information of Our Company" in "Note 30 – Restated standalone summary statement of related party transaction" of this Draft Red Herring Prospectus, our Subsidiary Company do not have any other interest in our Company's business.

#### (c) Significant sales or purchases

There are no sales or purchase between our Company and our Subsidiary, where such sales or purchases exceed in value in aggregate of 10% of the total sales or purchases of our Company.

#### **Common Pursuits:**

Our Subsidiary Company namely Holistic Properties Private Limited is not engaged in the similar line of business as our Company as on the date of this Draft Red Herring Prospectus.



#### **DIVIDEND POLICY**

Under the Companies Act, our Company can pay dividends upon a recommendation by our Board of Directors and approval by the shareholders at the general meeting of our Company. The Articles of Association of our Company give our shareholders, the right to decrease, and not to increase, the amount of dividend recommended by the Board of Directors.

The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. No dividend shall be payable for any financial year except out of profits of our Company for that year or that of any previous financial year or years, which shall be arrived at after providing for depreciation in accordance with the provisions of Companies Act, 2013.

Our Company does not have any formal dividend policy for declaration of dividend in respect of the Equity Shares. The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and may depend on a number of factors, including the results of operations, earnings, Company's future expansion plans, capital requirements and surplus, general financial condition, contractual restrictions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

Our Company has not declared any dividend on the Equity Shares in the past years. Our Company's corporate actions pertaining to payment of dividends in the past are not to be taken as being indicative of the payment of dividends by our Company in the future.



#### SECTION V – FINANCIAL INFORMATION OF THE COMPANY

#### RESTATED STANDALONE FINANCIAL STATEMENT

Independent Auditors' Report
(As required by Section 26 of Companies Act, 2013 read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014)

To,
The Board of Directors,
Cabcon India Limited
4A, Pollock Street, Kolkata – 700001

#### Dear Sirs,

- (1) We have examined the attached Restated Standalone Financial Information of Cabcon India Limited (the "Company") which comprise of the Restated Standalone Summary Statement of Assets and Liabilities as at 31 January, 2018, 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 the Restated Standalone Summary Statement of Profit and Loss and the Restated Standalone Summary Statement of Cash Flows for the ten months period ended 31 January, 2018 and for each of the years ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 the Summary Standalone Statement of Significant Accounting Policies, read together with the annexures and notes thereto and Other Restated Standalone Financial Information explained in paragraph 8 below, for the purpose of inclusion in the offer document prepared by the Company in connection with its proposed initial public offer (the "IPO") Emerge Platform of National Stock Exchange.
- (2) The Restated Standalone Financial Information has been approved by the Board of Directors of the Company and is prepared in terms of the requirements of:
  - (a) Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act") read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended ("the Rules"); and
  - (b) the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time in pursuance of provisions of Securities and Exchange Board of India Act, 1992 ("ICDR Regulations").
- (3) The preparation of the Restated Standalone Financial Information is the responsibility of the Management of the Company for the purpose set out in paragraph 12 below. The Management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Management is also responsible for identifying and ensuring that the Company complies with the Act, the Rules and ICDR Regulations.
- (4) We have examined such Restated Standalone Financial Information after taking into consideration:
  - (a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 07.05.2018 in connection with the IPO; and
  - (b) The Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by the Institute of Chartered Accountants of India ('ICAI'), ("The Guidance Note").
- (5) The Restated Standalone Financial Information has been compiled by the Management from the audited Standalone Financial Statements of the Company as at 31 January, 2018, 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 and for the ten months period ended 31 January, 2018 and for each of the years ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 prepared in accordance with accounting principles generally accepted in India at the relevant time and which have been approved by the Board of Directors on 07 May, 2018,31 August, 2017, 31 August, 2016, 31 August, 2015, 01 September, 2014, and 28August, 2013 respectively.



- (6) For the purpose of our examination, we have relied upon the Auditor's Report issued by M/s SRB & Associates, Chartered Accountants, Kolkata on the Standalone financial statements of the Company for the ten months' period ended on 31 January, 2018 and by M/s Jai Pandya & Associates, Chartered Accountants, Kolkata on the Standalone financial statements of the Company for each of the financial years ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013. We have examined books of account underlying those audited Standalone financial statements and other records of the Company, to the extent considered necessary by us, for the presentation of the Restated Standalone Financial Information under the requirements of Schedule III of the Act.
- (7) In accordance with the requirements of Section 26 of Part I of Chapter III of the Act, read with Rules 4 to 6 of the Rules, the ICDR Regulations and the Guidance Note read together with paragraph 6 above (including reliance placed on the report of the statutory auditor as referred to in paragraph 6 above), we report that:
  - (a) The **Restated Standalone Summary Statement of Assets and Liabilities** of the Company, as at 31 January, 2018, 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 examined by us as set out in **Annexure I** to the Restated Standalone Financial Information, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in **Annexure IV** Statement of Restatement Adjustments to Audited Standalone Financial Statements and Notes to Statement of Restatement Adjustments to Audited Standalone Financial Statements. As a result of these adjustments, the amounts reported in the statement mentioned above are not necessarily the same as those appearing in the audited Standalone Financial Statements of the Company as at and for each of the relevant financial years.
  - (b) The Restated Standalone Summary Statement of Profit and Loss of the Company, for the ten months period ending on 31 January, 2018 and for each of the years ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 examined by us as set out in Annexure II to the Restated Standalone Financial Information, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure IV Statement of Restatement Adjustments to Audited Standalone Financial Statements and Notes to Statement of Restatement Adjustments to Audited Standalone Financial Statements. As a result of these adjustments, the amounts reported in the statement mentioned above are not necessarily the same as those appearing in the audited Standalone Financial Statements of the Company as at and for each of the relevant financial years.
  - (c) The Restated Standalone Summary Statement of Cash Flows of the Company for the ten months period ending on 31<sup>st</sup>January, 2018 and for each of the years ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013examined by us as set out in **Annexure III** to the Restated Standalone Financial Information, have been arrived at after making adjustments and regroupings/reclassifications as in our opinion were appropriate and more fully described in **Annexure IV** Statement of Restatement Adjustments to Audited Standalone Financial Statements and Notes to Statement of Restatement Adjustments to Audited Standalone Financial Statements. As a result of these adjustments, the amounts reported in the statement mentioned above are not necessarily the same as those appearing in the audited Standalone Financial Statements of the Company as at and for each of the relevant financial years.
  - (d) Based on the above and according to the information and explanations given to us, and also as per the reliance placed on the report of the statutory auditor as referred to in Para 6 above, we further report that:
    - (i) As explained in **Annexure IV** to the Restated Standalone Financial Information, the Restated Standalone Financial Information has been prepared after incorporating adjustments for the changes in accounting policies and estimates retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting periods;
    - (ii) As explained in **Annexure IV** to the Restated Standalone Financial Information, the Restated Standalone Financial Information has been made after incorporating adjustments for the material amounts in the respective financial years to which they relate;



- (iii) The Restated Standalone Financial Information does not contain any extra-ordinary items that need to be disclosed separately other than those disclosed already and do not contain any qualification requiring adjustments.
- (8) We have also examined the following Other Restated Standalone Financial Information of the Company set out in the **notes** prepared by the Management and approved by the Board of Directors 30<sup>th</sup> May, 2018 for the ten months' period ended 31January, 2018 and for the year ended on 31 March2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013:

a)	Restated Standalone Summary Statement of Share Capital	Note – 1
b)	Restated Standalone Summary Statement of Reserves & Surpluses	Note – 2
c)	Restated Standalone Summary Statement of Long Term Borrowings	Note – 2
d)	Restated Standalone Summary Statement of Principal Terms of Secured Loans and Assets Charged as Security	Note $-3(a)$
e)	Restated Standalone Summary Statement of Terms & Conditions of Unsecured Loans	Note- 3(b)
f)	Restated Standalone Summary Statement of Deferred Tax Assets & Liabilities	Note – 4
g)	Restated Standalone Summary Statement of Other Long-term Provisions	Note – 5
h)	Restated Standalone Summary Statement of Short Term Borrowings	Note – 6
i)	Restated Standalone Summary Statement of Trade Payables	Note – 7
j)	Restated Standalone Summary Statement of Other Current Liabilities	Note – 8
k)	Restated Standalone Summary Statement of Short Term Provisions	Note – 9
1)	Restated Standalone Summary Statement of Property, Plant & Equipment	Note – 10
m)	Restated Standalone Summary Statement of Intangible Assets	Note – 11
n)	Restated Standalone Summary Statement of Capital Work-in-Progress	Note – 12
0)	Restated Standalone Summary Statement of Non-Current Investments	Note – 13
p)	Restated Standalone Summary Statement of Long-term Loans and Advances	Note -14
q)	Restated Standalone Summary Statement of Inventories	Note – 15
r)	Restated Standalone Summary Statement of Trade Receivables	Note – 16
s)	Restated Standalone Summary Statement of Cash & Cash Equivalents	Note – 17
t)	Restated Standalone Summary Statement of Short-term Loans & Advances	Note – 18
u)	Restated Standalone Summary Statement of Other Current Assets	Note – 19
v)	Restated Standalone Summary Statement of Revenue from Operations	Note – 20
w)	Restated Standalone Summary Statement of Other Incomes	Note – 21
x)	Restated Standalone Summary Statement of Material Consumed	Note – 22
y)	Restated Standalone Summary Statement of Manufacturing and Other Operational Expenses	Note – 23
z)	Restated Standalone Summary Statement of Change in Inventories of Finished Goods, WIP and Scraps	Note – 24
aa)	Restated Standalone Summary Statement of Employee Benefit Expenses	Note – 25
ab)	Restated Standalone Summary Statement of Finance Costs	Note – 26
ac)	Restated Standalone Summary Statement of Depreciation & Amortization Expenses	Note – 27
ad)	Restated Standalone Summary Statement of Other Expenses	Note – 28
ae)	Restated Standalone Summary Statement of Exceptional Items	Note – 29
af)	Restated Standalone Summary Statement of Related Party Transactions	Note – 30
ag)	Restated Standalone Summary Statement of Contingent Liabilities	Note – 31
ah)	Restated Standalone Summary Statement of Mandatory Accounting Ratios	Note – 32
ai)	Restated Standalone Summary Statement of Tax Shelter	Note – 33
aj)	Restated Standalone Summary Statement of Capitalization	Note – 34

According to the information and explanations given to us, and also as per the reliance placed on the reports of the statutory auditor as referred to in Para 6 above, in our opinion, the Restated Standalone Financial Information



including the above mentioned Other Restated Financial Information contained in **Notes1 to 34**, read with Restated Standalone Summary Statement of Significant Accounting Policies disclosed in **Annexure IV**, are prepared after making adjustments and regroupings as considered appropriate as disclosed in **Annexure IV** and have been prepared in accordance with Section 26 of Part I of Chapter III of the Act, read with Rules 4 to 6 of the Rules, ICDR Regulations and the Guidance Note.

- (9) We have not audited or reviewed any Financial Statements of the Company as of any date or for any period subsequent to 31January, 2018. Accordingly, we express no opinion on the Financial Position, Results of the Operations or Cash Flow of the Company as of any date or for any period subsequent to 31January, 2018.
- (10) This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us or by other firm of Chartered Accountants, nor should this report be construed as a new opinion on any of the Financial Statements referred to herein.
- (11) We have no responsibility to update our report for events and circumstances occurring after the date of the report.
- (12) Our report is intended solely for use of the Management for inclusion in the offer document to be filed with the National Stock Exchange where the equity shares are proposed to be listed and the relevant Registrar of Companies in India in connection with the IPO. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

For Mansaka Ravi & Associates Chartered Accountants FRN: 015023C

CA Ravi Mansaka Partner M.N. 410816

Date: 06-06-2018 Place: Jaipur



# ANNEXURE – I RESTATED STANDALONE STATEMENT OF ASSETS AND LIABILITIES

(Amount in Lakhs)

						(Amount	ın Lakhs)
Particulars	NOTE	21/1/2010	21/2/2017		s At	21/2/2014	21/2/2012
I. EQUITY AND	NOTE	31/1/2018	31/3/2017	31/3/2016	31/3/2015	31/3/2014	31/3/2013
LIABILITIES							
(1) Shareholders'							
Funds							
(a) Share Capital	1	426.59	403.09	373.09	373.09	348.09	263.96
(b) Reserves and							
Surplus (excluding	2	5918.51	4809.32	3890.11	3432.44	2827.18	1852.91
Revaluation Reserves,	2	3710.31	4007.32	3670.11	3432.44	2027.10	1032.71
if any)							
(c) Money received							
against share warrants							
(2) Share Application		0.00	0.00	0.00	0.00	0.00	672.00
Money Pending Allotment		0.00	0.00	0.00	0.00	0.00	673.00
(3) Non Current							
Liabilities							
(a) Long-term							
Borrowings	3	430.29	939.55	718.30	1397.62	1457.34	821.29
(b) Deferred tax	4	24.56	6.71	14.72	20.02	26.96	10.20
Liabilities (Net)	4	34.56	6.71	14.73	28.02	26.86	19.20
(c) Other Long Term							
Liabilities							
(d) Long-term	5	29.82	22.39	16.63	12.86	8.39	5.67
Provisions	<u> </u>	27.02	22.57	10.05	12.00	0.37	2.07
(4) Current							
Liabilities							
(a) Short-term	6	11219.06	9729.69	9741.11	8361.85	6508.71	5404.99
Borrowings (b) Trade Payables							
(A) total outstanding							
dues of micro							
enterprises and small							
enterprises; and	7						
(B) total outstanding							
dues of creditors other		17427.09	13028.19	8563.75	6786.47	5166.51	4425.61
than micro enterprises		17427.09	13020.19	8303.73	0780.47	3100.31	4423.01
and small enterprises.							
(c) Other Current	8	3090.08	1691.53	1603.54	1837.15	1370.98	1518.46
Liabilities (d) Short term							
(d) Short-term Provisions	9	118.40	50.14	59.16	30.97	32.12	1.74
Total		38694.39	30680.62	24980.42	22260.47	17746.18	14986.84
II. ASSETS		20074.07	20000.02	#170047#	22200-7	177-10.10	11/00/04
(1) Non Current							
Assets							
(a) Fixed Assets							
(a) Tangible Assets	10	1956.61	1428.75	1533.56	1129.51	811.08	586.27
(b) Intangible Assets	11	2.34	3.10	4.00	1.63	3.25	4.88
(c) Capital Work-In-	12	0.00	508.49	310.04	513.51	508.39	389.58
Progress	12	0.00	300.49	310.04	313.31	300.39	309.30
(c) Non Current	13	445.01	219.01	219.01	70.00	0.00	0.00
Investments	15	. 15.01		217.01	, 0.00	0.00	0.00



(d) Deferred Tax Assets (Net)	4						
(e) Long-term Loans and Advances	14	157.42	125.78	97.97	99.12	48.60	54.44
(f) Other Non Current Assets							
(2) Current Assets							
(a) Current Investments		0.00	0.00	0.00	0.00	0.00	0.00
(b) Inventories	15	7415.11	4929.12	5857.07	6426.13	4303.82	3295.15
(c) Trade Receivables	16	22515.95	17693.91	12933.72	10423.09	9864.84	8402.43
(d) Cash and Cash Equivalents	17	4395.49	4058.09	2664.15	2139.38	1537.95	1409.69
(e) Short-term Loans and Advances	18	1807.56	1712.19	1358.09	1460.16	667.75	844.40
(f) Other Current Assets	19	(1.10)	2.18	2.83	(2.06)	0.51	0.00
Total		38694.39	30680.62	24980.42	22260.47	17746.18	14986.84

Note-: The above statement should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexures IV, II and III.



# ANNEXURE – II RESTATED STANDALONE STATEMENT OF PROFIT AND LOSS

(Amount in Lakhs)

			T (1 T)			(-	Amount in La		
	Particulars	Note No.	For the Ten Months Period Ended 31/1/2018	31/3/2017	For the Year ended				
I	Revenue from Operations	20	42150.53	40792.13	<b>31/3/2016</b> 34821.89	<b>31/3/2015</b> 31088.18	<b>31/3/2014</b> 28766.92	<b>31/3/2013</b> 20840.39	
II	Other Incomes	21	250.84	314.86	419.51	300.81	317.47	234.49	
III	Total Income (I+II)	21	42401.37	41106.99	35241.39	31388.99	29084.39	21074.88	
IV	Expenses:		72701.37	71100.77	33241.37	31300.77	27004.37	21074.00	
1 7	Cost of Material Consumed	22	36663.21	32820.28	28105.00	27939.08	24466.75	17533.80	
	Manufacturing & Other Operational Expenses	23	1714.74	2278.63	2465.53	1997.46	1778.03	1458.96	
	Changes in Inventories of finished goods, Stock-in-Trade and work-in-progress	24	(1679.94)	195.65	(186.81)	(2007.47)	14.58	(129.96)	
	Employee Benefits Expenses	25	998.63	674.39	479.02	271.14	252.41	179.49	
	Finance Costs	26	2580.15	2539.46	2685.29	2093.09	1608.78	1268.74	
	Depreciation And Amortization Expense	27	177.73	194.18	210.14	147.95	92.62	80.98	
	Other Expenses	28	659.95	1324.88	594.18	414.64	297.67	289.47	
	Total Expenses (IV)		41114.48	40027.48	34352.36	30855.90	28510.84	20681.48	
V	Profit/(loss) before exceptional items and tax (I-IV)		1286.89	1079.51	889.03	533.09	573.55	393.39	
VI	Exceptional Items	29	(44.77)	109.68	178.22	(71.19)	(0.22)	0.36	
VII	Profit/(loss) before tax (V-VI)		1331.66	969.83	710.80	604.29	573.77	393.03	
VIII	Tax Expense								
	(1) Current Tax		404.76	325.79	265.91	218.37	180.70	128.26	
	(2) Interest on IT Earlier Year		1.37	2.84	0.51	1.01	0.01	2.28	
	(3) Deferred Tax Liability/(Assets)		27.85	(8.02)	(13.28)	1.16	7.66	(0.23)	
	(4) MAT Credit (Entitlement)/Set-Off		0.00	0.00	0.00	0.00	0.00	0.00	
IX	Restated Profit/(loss) after tax for the period from continuing operations (VII-VIII)		897.68	649.22	457.67	383.75	385.39	262.73	
X	Profit/ (Loss) from Discontinuing operation		0.00	0.00	0.00	0.00	0.00	0.00	
XI	Tax expenses of discontinuing operations		0.00	0.00	0.00	0.00	0.00	0.00	
XII	Profit/(loss) from Discontinued operations (after tax) (X-XI)								
XIII	Restated profit/(loss) for the period		897.68	649.22	457.67	383.75	385.39	262.73	

Note: The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, and cash flows appearing in Annexures IV, I and III.



# ANNEXURE – III RESTATED STANDALONE CASH FLOW STATEMENT

(Amount in Lakhs)

	1	(Amount in Lakhs)					
Particulars	For the Ten Months period Ended	For the Year ended					
	31/1/2018	31/3/2017	31/3/2016	31/3/2015	31/3/2014	31/3/2013	
CASH FLOW FROM OPERATING ACTIVITIES							
Net Profit Before Tax	1331.66	969.83	710.80	604.29	573.77	393.03	
Adjustment for :	1551.00	909.83	710.80	004.23	313.11	373.03	
Interest on Fixed Deposit	204.90	233.98	209.70	153.43	129.04	112.75	
Loss on Sale of Fixed Assets	(1.93)	(14.76)	(3.45)	(12.79)	0.00	0.36	
Provision for TDS Defaults	0.28	0.44	0.01	0.03	28.85	0.00	
Depreciation	177.73	194.18	210.14	147.95	92.62	80.98	
						1.31	
Provision of Gratuity	8.04	6.31	6.67	5.61	3.11		
Interest & Finance Charges	2580.15	2539.46	2685.29	2093.09	1608.78	1268.74	
Operating profit before working capital changes	4300.83	3929.44	3819.17	2991.61	2436.18	1857.17	
Adjustment for:							
(Increase)/Decrease in Inventories	(2485.99)	927.94	569.06	(2122.31)	(1008.67)	(2268.87)	
(Increase)/Decrease in Trade Receivables	(4822.04)	(4760.19)	(2510.63)	(558.25)	(1462.41)	(951.79)	
(Increase)/Decrease in Short Term loans and advances	(95.37)	(354.10)	96.69	(787.19)	176.82	50.59	
(Increase)/Decrease in Other Current Assets	3.27	0.65	(4.89)	2.57	(0.51)	6.51	
Increase/(Decrease) in Trade Payables	4398.89	4464.44	1777.27	1619.96	740.90	808.98	
Increase/(Decrease) in Short Term Borrowings	1175.23	(17.71)	1145.13	1712.76	838.23	1454.89	
Increase/(Decrease) in Other Current Liabilities	1398.56	87.99	(233.61)	466.17	(147.48)	(337.38)	
Increase/(Decrease) in Short Term Provisions	0.00	0.00	0.00	0.00	0.00	(139.73)	
Cash generated from / (used in) operations	3873.38	4278.46	4658.21	3325.30	1573.07	480.35	
Income Tax Paid/(refund)	338.75	338.65	235.76	226.92	179.74	151.41	
Net cash generated from/(used in) operating activities - (A)	3534.63	3939.80	4422.45	3098.38	1393.33	328.95	
CASH FLOW FROM							
INVESTING							
ACTIVITIES							
Purchase of Fixed Assets	(713.89)	(94.01)	(626.19)	(499.26)	(315.80)	(148.75)	
Increase in Capital Work-in- Progress	508.49	(198.45)	203.47	(5.12)	(118.81)	(98.90)	
Sale of Fixed Assets	10.98	20.31	13.08	43.80	0.00	0.98	
Interest Income on Fixed Deposit	(204.90)	(233.98)	(209.70)	(153.43)	(129.04)	(112.75)	
(Investment)/Realization in/from FDR	(255.90)	(1303.03)	(730.65)	(483.61)	(211.02)	(13.17)	
Purchase of Investments	(226.00)	0.00	(149.01)	(70.00)	0.00	0.00	
(Increase)/Decrease in Long	(31.63)	(27.82)	1.16	(50.52)	5.84	(31.95)	



Term Loans and Advances						
Net cash (used in)	(912.85)	(1836.98)	(1497.85)	(1218.13)	(768.83)	(404.53)
<b>Investing Activities - (B)</b>	(>12.00)	(1000)	(11)/100)	(1210110)	(700100)	(10 liee)
CASH FLOW FROM						
FINANCING						
ACTIVITIES						
Proceeds from Issue of Share Capital	23.50	30.00	0.00	25.00	84.13	0.00
Proceeds from Security Premium	211.50	270.00	0.00	225.00	588.88	0.00
Proceeds from Share Application Money Pending Allotment	0.00	0.00	0.00	0.00	(673.00)	673.00
Repayment of Long Term Borrowings	(195.13)	227.54	(445.18)	80.66	901.53	624.53
Interest & Finance Charges	(2580.15)	(2539.46)	(2685.29)	(2093.09)	(1608.78)	(1268.74)
Net cash(used in) / from financing activities - (C)	(2540.28)	(2011.92)	(3130.47)	(1762.43)	(707.25)	28.79
Net Increase/(decrease) in Cash & Cash Equivalents (A+B+C)	81.50	90.90	(205.88)	117.82	(82.76)	(46.79)
Cash and cash equivalents at the beginning of the year	3.44	(87.47)	118.41	0.59	83.35	130.14
Cash and cash equivalents at the end of the year	84.94	3.44	(87.47)	118.41	0.59	83.35
Cash and cash equivalents at the end of year comprises:						
Components of cash and cash equivalents:						
Particulars	31/1/2018	31/3/2017	31/3/2016	31/3/2015	31/3/2014	31/3/2013
Cash on hand	38.24	21.93	25.22	21.58	21.97	12.86
Balances with scheduled banks:						
In current accounts	46.70	(18.50)	(112.69)	96.83	(21.38)	70.49
Total Cash and cash equivalents	84.94	3.44	(87.47)	118.41	0.59	83.35

### Notes:-

- 1. The Cash Flow Statement has been prepared under indirect method as set out in Accounting Standard -3 on Cash Flow Statement, specified under the Companies Act, 1956 (which are deemed to be applicable as Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of Companies (Accounts) Rules, 2014).
- 2. Figures in Brackets represents outflow.
- 3. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses as appearing in Annexures IV, I and II.



#### ANNEXURE IV

# RESTATED STANDALONE SUMMARY STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES

#### A. Background

Cabcon India Limited (Earlier known as Cabcon India Private Limited) ("the Company") is an established ISO 9001-2008 certified Manufacturer, Supplier & Exporter of different types of Aluminum conductors in the field of Electrical Transmission & Distribution line products. It is currently engaged in the manufacturing and trading of AAC, ACSR & AAAC Conductors and all types of LT XLPE / PVC & LT AB Cables in India. In 2010, the company has also diversified its operations and entered into execution of turnkey projects for development of rural electricity infrastructure & rural household electrification in villages of various states of India under Rajiv Gandhi Gramin Vidyut Yojana.

# B. Significant Accounting Policies

#### (1) Basis of preparation

The Restated Standalone Summary Statement of Assets and Liabilities of the Company in Annexure I as at 31 January, 2018, 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 and the Restated Summary Statement of Profit and Loss in Annexure II and the Restated Summary Statement of Cash Flows in Annexure III for the ten months period ended 31 January, 2018, and for the years ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 along with Notes-1 to 34(collectively referred to as the "Restated Standalone Summary Financial Information") have been prepared specifically for the purpose of inclusion in the offer document to be filed by the Company with the Securities and Exchange Board of India ("SEBI"), Registrar of Companies ("ROC") and relevant stock exchange/s, as may be required in connection with the proposed Initial Public Offering ("IPO").

The Restated Standalone Summary Financial Information have been extracted by the management from audited financial statements of the Company for respective period/years ("Financial Statements"), after applying necessary adjustments. The Financial Statements comprise of the Balance Sheet as at period/year end, the Statement of Profit and Loss, the Cash Flow Statement for the period/year then ended, and a summary of significant accounting policies and other explanatory information.

The Financial Statements were prepared and presented under the historical cost convention using the accrual system of accounting in accordance with the generally accepted accounting principles in India ("Indian GAAP") and the requirements of the Companies Act, 1956 (up to 31 March 2014), and notified Sections, Schedules and Rules of the Companies Act, 2013 (with effect from 01 April 2014) ("the Act"), including the Accounting Standards as prescribed by Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, to the extent applicable.

The accounting policies have been consistently applied by the Company to the period/years presented in the Restated Standalone Summary Financial Information. The Restated Standalone Summary Financial Information of the Company have been prepared to comply in all material respects with the requirements of Chapter III to the Act and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time.

Appropriate re-classifications/ adjustments have been made in the Restated Standalone Summary Financial Information wherever required, by re-classification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the presentation and recognition as per the Financial Statements of the Company and the requirement of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time.

The Restated Standalone Summary Financial Information are presented in Indian rupees (in lakhs), unless otherwise stated. These Restated Standalone Summary Financial Information were reviewed by the Audit Committee on 30<sup>th</sup> May, 2018 and subsequently also approved by the Board of Directors of the Company on 30<sup>th</sup> May, 2018.

# (2) Use of Estimates



The preparation of these Restated Standalone Financial Information in conformity with Indian GAAP requires the Management to make judgments, estimates and assumptions that effect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in current and future periods.

# (3) Current and Non-Current Classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

#### Assets

An asset is classified as current when it satisfies any of the following criteria:

- a. it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b. it is held primarily for the purpose of being traded;
- c. it is expected to be realized within 12 months after the reporting date; or
- d. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

#### Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- a. it is expected to be settled in the Company's normal operating cycle;
- b. it is held primarily for the purpose of being traded;
- c. it is due to be settled within 12 months after the reporting date; or
- d. the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current assets/ liabilities include the current portion of non-current assets/ liabilities respectively. All other assets/ liabilities are classified as non-current.

#### **Operating cycle**

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The Company considers its operating cycle to be within one year.

#### (4) Property, Plant and Equipment and Depreciation thereon

#### a) Property, Plant and Equipment

Property, plant and equipment are carried at cost of acquisition or construction less accumulated depreciation and/ or accumulated impairment loss, if any. The cost of an item of Property, plant and equipment comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditures related to an item of Property, plant and equipment are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. A Property, plant and equipment is eliminated from the Financial Statements on disposal or when no further benefit is expected from its use and disposal.

Losses arising from retirement or gains or losses arising from disposal of Property, plant and equipment which are carried at cost are recognized in the Statement of Profit and Loss.

Intangible assets are stated at acquisition cost, Net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a Written Down Value basis over their estimated useful lives in accordance with the provisions of Accounting Standard (AS) -26 "Intangible Assets" issued by the Institute of Chartered Accountants of India.

#### b) Depreciation



Till the year ended 31 March 2014, depreciation on Property, plant and equipment other than leasehold improvements was provided for on a written down value method (WDV) at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956. Depreciation in respect of Property, plant and equipment acquired during the year whose actual cost does not exceed Rs. 5,000 has been provided at 100%.

After the applicability of Schedule II of the Companies Act, 2013, with effect from 01 April 2014, depreciation on Property, plant and equipment is provided for on a written down value method at the rates prescribed in Schedule II to the Companies Act, 2013.

Depreciation on Property, plant and equipment sold, discarded or demolished during the year, if any, is being provided pro-rata up to the date on which such Property, plant and equipment are sold, discarded or demolished. Pursuant to the Act being effective from 01 April 2014, the Company has revised depreciation rates on certain Property, plant and equipment as per the useful life specified in Part 'C' of Schedule II to the Act. As a result of this change, the depreciation charge for the year ended 31 March 2015 is higher by an amount of **Rs. 3.50 Lakhs** in respect of Property, plant and equipment whose useful life is already exhausted as on 01 April 2014 has been adjusted from retained earnings.

Cost of Property, plant and equipment not ready for use as at the Balance Sheet date are disclosed as capital work-in-progress.

#### (5) Revenue Recognition

#### (a) Service Income

- (i) Revenue is recognized to the extent that it is possible that the economic benefits will flow to the company and the revenue can be reliably measured with reliable certainty of realizing the consideration.
- (ii) Sales are recognized when the significant risks and rewards of ownership of the goods have passed to the buyer. Sales includes goods sold to the turnkey project undertaken by company and are inclusive of excise duty and commercial taxes but net of sales return.
- (iii) Additional Sales resulting from nature of business of Company such as bills relating to price variation, excess supplies and extra works etc are raised by the Company on basis of terms of the Contract and are accounted for in the books only after the same has been accepted by the customers during the course of time or at the end of contract. As such only those bills which are acceptable by the customers are accounted for in the books of accounts recognized on accrual basis when the risk and reward passes to buyer.

#### (b) Interest Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

#### (c) Dividend Income

Dividend income is recognized when right to receive the payment is established.

#### (6) Inventories

Raw material and stock-in-trade are carried at lower of cost and net realizable value (FIFO) method. Work in progress comprises material cost on FIFO basis, labour and manufacturing overheads incurred in bringing the inventories to their present location and condition. Cost of finished goods are carried at lower of cost and net realizable value.

### (7) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.



Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

# (8) Foreign Currency Transactions

Transaction denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction and any income or expenses on account of exchange difference either on settlement or on translation is recognized in the Statement of profit and Loss except in case where they relate to acquisition of fixed assets, are adjusted with the carrying cost of such assets.

#### (9) Employee Benefits

#### (a) Short term employee benefits

All employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service is rendered by employees.

#### (b) Post-employment Benefits

#### (i) Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Employer makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. The Employer's contribution is recognized as an expense in the Restated Standalone Summary Statement of Profit and Loss during the period in which the employee renders the related service.

# (ii) Defined benefit plans

The Company's gratuity scheme is a defined benefit plan. The present value of obligation under such defined benefit plan is determined based on actuarial valuation carried at the period/year end using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date.

#### (iii) Compensated absences

The employees can carry-forward a portion of the unutilized accrued compensated absences and utilize it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

# (iv) Termination benefits

Termination benefits are recognized as an expense when, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

#### (10) Accounting for Taxes on Income

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount that are enacted or substantively enacted, at the reporting date.



- (i) Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.
- (ii) Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

#### (11) Earnings Per Share:

In determining the Earnings Per share, the company considers the net profit after tax which does not include any post tax effect of any extraordinary / exceptional item. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period.

The number of shares used in computing Diluted earnings per share comprises the weighted average number of shares considered for computing Basic Earnings per share and also the weighted number of equity shares that would have been issued on conversion of all potentially dilutive shares.

In the event of issue of bonus shares, or share split the number of equity shares outstanding is increased without an increase in the resources. The number of Equity shares outstanding before the event is adjusted for the proportionate change in the number of equity shares outstanding as if the event had occurred at the beginning of the earliest period reported.

# (12) Provisions, contingent liabilities and contingent assets

A provision is created when there is a present obligation as a result of a past event and it is more likely than not that there will be an outflow of resources embodying economic benefits to settle such obligation and the amount of such obligation can be reliably estimated. Provisions are not discounted to its present value, and are determined based on the management's best estimate of the amount of obligation required at the period/year end. These are reviewed at each Balance Sheet date and adjusted to reflect current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that have arisen from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of future events not wholly within the control of the Company. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

The Company does not recognize assets which are of contingent nature until there is virtual certainty of realisability of such assets. However, subsequently, if it becomes virtually certain that an inflow of economic benefits will arise, asset and related income is recognized in the Financial Statements of the period in which the change occurs.



#### (13) Impairment of Assets

The company assesses, at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's (including goodwill) recoverable amount is the higher of an assets net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

After impairment, depreciation/ amortization is provided on the revised carrying amount of the asset over its remaining useful life.

#### (14) Borrowing Costs

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

#### (15) SEGMENT REPORTING

#### (i) Business Segment

- (a) The business segment has been considered as the primary segment.
- (b) The Company's primary business segments are reflected based on principal business activities, the nature of service, the differing risks and returns, the organization structure and the internal financial reporting system.
- (c) The Company's primary business comprises of two reportable segments i.e. Manufacturing of Conductors (AACR) and Project Construction (Trunkey Contract) which includes erection of Tower, as envisaged in Accounting Standard 17 'Segment Reporting'. Accordingly, the disclosure as required under the said Accounting Standard for Segment reporting in the financial statements of the Company given in Notes to Accounts.

# (ii) Geographical Segment

The Company operates in one Geographical Segment namely "within India" and hence no separate information for geographic segment wise disclosure is required.

# C. CHANGES IN ACCOUNTING POLICIES IN THE PERIODS/YEARS COVERED IN THE RESTATED FINANCIALS

In the restated financials, there is no change in significant accounting policies adopted by the Company.

#### D. CHANGE IN ACCOUNTING ESTIMATES

#### a. Useful lives/depreciation rates

Till the year ended 31 March 2014, depreciation rates prescribed under Schedule XIV were treated as minimum rates and the Company was not allowed to charge depreciation at lower rates even if such lower rates were justified by the estimated useful life of the asset. Schedule II Part C to the 2013 Act prescribes useful lives for property, plant and equipment which, in many cases, are different from the useful lives prescribed under the erstwhile Schedule XIV. However, Schedule II allows companies to use higher/lower useful lives and residual values if such useful lives and residual values can be technically supported and justification for difference is disclosed in the financial statements.

Considering the applicability of Schedule II, the management has re-estimated useful lives and residual values of all its property, plant and equipment. The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of property, plant and equipment, though these rates in certain cases are different from lives prescribed under Schedule II there is no material impact of the same.



In Restated financials the Company has calculated the depreciation based on the rates given in Schedule XIV of the Companies Act, 1956 till 31.03.2014 and after 31.03.2014 based on the rates given in Schedule II of the Companies Act, 2013. In respect of assets whose useful life had already exhausted as on 1 April 2015, has been adjusted in Reserves and Surplus in accordance with requirements of Para 7 of Part C of Schedule II of the Act. Such assets which do not have useful life as on 01.04.2014 were having WDV Rs.3.50 Lakhs.

#### b. Component accounting:

During the previous year i.e., with effect from 1 April 2014, the Company has adopted component accounting as required under Schedule II to the Companies Act, 2013. The Company was previously not identifying components of property, plant and equipment separately for depreciation purposes; rather, a single useful life/depreciation rate was used to depreciate each item of property, plant and equipment.

Due to application of Schedule II to the 2013 Act, the Company has changed the manner of depreciation for its property, plant and equipment. Now, the Company identifies and determines cost of each component/part of the asset separately, if the component/part has a cost which is significant to the total cost of the asset having useful life that is materially different from that of the remaining asset. These components are depreciated over their useful lives, the remaining asset is depreciated over the life of the principal asset. However, it does not have any impact on the Restated Unconsolidated Summary Statement of Profit and Loss for the year ended 31 March 2015. The aforesaid policy has been consistently applied by the Company during the current year.

#### E. NOTES ON THE RESTATED FINANCIALS

- (1) The financial statements including financial information have been prepared after making such regroupings and adjustments, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial statements/information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.
- (2) The Company does not have information as to which of its supplier are Micro small and Medium Enterprise registered under The Micro small and Medium Enterprise Development Act 2006. Consequently the liability, if any, of interest which would be payable under The Micro small and Medium Enterprise Development Act 2006, cannot be ascertained. However, the Company has not received any claims in respect of such interest and as such, no provision has been made in the books of accounts.

# (3) Employee benefits (Accounting Standard – 15 "Employee Benefits")

The Company has adopted the Accounting Standard 15 (revised 2005) on Employee Benefits as per an actuarial valuation carried out by an independent actuary in restated financials. The disclosures as envisaged under the standard are as under-:

Disclosure in respect of Gratuity:

Particulars	01.04.17 to 31.01.18	2016-17	2015-16	2014-15	2013-14	2012-13
1.The amounts recognized		Sheet are as	follows:			
Present value of obligations Recognized	35.72	27.68	21.36	14.69	9.08	5.97
Net Liability	35.72	27.68	21.36	14.69	9.08	5.97
2. The amounts recognized	in the Profit &	Loss A/c are	as follows:			
Current Service Cost	9.65	7.10	5.24	3.42	2.28	1.35
Interest on Defined Benefit Obligation	1.82	1.60	1.16	0.71	0.51	0.37
Net Actuarial Losses/(Gains) Recognized in Year	(3.44)	(2.39)	0.65	1.82	0.91	(0.41)
Past Service Cost						
Total, Included in "Salaries& Allowances"	8.04	6.31	7.05	5.96	3.70	1.31
3. Changes in the present va	alue of defined	benefit oblig	ation:			
Defined benefit obligation as at the beginning of the year/period	27.68	21.36	14.69	9.08	5.97	4.66



Service cost	9.65	7.10	5.24	3.42	2.28	1.35	
Interest cost	1.82	1.60	1.16	0.71	0.51	0.37	
Actuarial Losses/(Gains)	(3.44)	4) (2.39) 0.65 1.82 0.91 (0.41)					
Benefits Paid			(0.38)	(0.34)	(0.59)		
Defined benefit							
obligation as at the end of	35.72	27.68	21.36	14.69	9.08	<b>5.97</b>	
the year/period							
<b>Benefit Description</b>							
Benefit type:		Gr	atuity Valua	tion as per A	ct		
Retirement Age:			60 y	ears ears			
Vesting Period:			5 ye	ears			
The principal actuarial assu	mptions for the	above are:					
Future Salary Rise:	7.00% P.A	7.00%	7.00% P.A	7.00%	7.00% P.A	6.00%	
•		P.A		P.A		P.A	
Withdrawal Rate:	5.00%P.A						
Discount rate per annum:	7.88%P.A	7.50%P.A	8.00% P.A   8.00% P.A   9.00% P.A   8.00		8.00%P.A		
Mortality Rate:	IALM 2006-08	IALM 2006-	IALM	IALM 2006-	IALM 2006-	110 04 06	
_	IALWI 2000-08	08	2006-08	08	08	LIC 94-96	

# (4) Segment Reporting (AS 17)

The Company is required to disclose the information required by Accounting Standard- 17. The company operates in two reportable segments i.e. Manufacturing of Conductors i.e. AACR and engaged in Project Construction i.e. Turnkey Project which includes erection of Tower. Accordingly, company has more than one business segment, therefore, disclosure as envisaged in Accounting Standard are given as under:

# STANDALONE REPORTING ON SEGMENT INFORMATION Primary Segment Information (Business Segment) SEGMENT REPORTING FOR PERIOD FROM 01.04.2017 TO 31.01.2018

Particulars	Conductor Manufacturing	Project Construction	Unallocable	Total
SEGMENT REVENUE				
External Revenue	30179.49	11971.03	0.00	42150.53
Inter Segment Revenue	0.00	0.00	0.00	0.00
Other Incomes	0.00	0.00		0.00
Total Revenue	30179.49	11971.03	0.00	42150.53
SEGMENT RESULTS				0.00
Segment Result before Depreciation,				
Finance Cost & Tax	1228.71	2660.07	0.00	3888.78
Other Incomes	26.31	163.63	60.90	250.84
Finance Cost		568.19	2011.96	2580.15
Depreciation	127.92	49.81	0.00	177.73
Unallocable Corporate Expenses	0.00	0.00	50.08	50.08
Income-tax	0.00	0.00	433.98	433.98
Profit from Ordinary Activities	0.00	0.00	0.00	897.68
Extra-ordinary Items	0.00	0.00	0.00	0.00
Net Profit	0.00	0.00	0.00	897.68
OTHER INFORMATION				
Segment Assets	20928.43	16802.52	963.44	38694.39
Segment Liabilities	14121.64	6362.03	11865.63	32349.30
Capital Expenditures	681.76	32.13	0.00	713.89
Depreciation	127.92	49.81	0.00	177.73
Non-Cash Expenses other than				
Depreciation	8.31	0.00	0.00	8.31



# **SEGMENT REPORTING FOR THE YEAR 2016-17**

Particulars	Conductor Manufacturing	Project Construction	Unallocable	Total
SEGMENT REVENUE	11241141414141	001301 4001011		
External Revenue	28906.72	11885.40	0.00	40792.13
Inter Segment Revenue	0.00	0.00	0.00	0.00
Other Incomes	0.00	0.00		0.00
Total Revenue	28906.72	11885.40	0.00	40792.13
SEGMENT RESULTS				0.00
Segment Result before Depreciation,				
Finance Cost & Tax	1111.60	2377.48	0.00	3489.08
Other Incomes		17.45	297.41	314.86
Finance Cost		429.18	2110.28	2539.46
Depreciation	183.03	11.15		194.18
Unallocable Corporate Expenses	0.00	0.00	100.47	100.47
Income-tax	0.00	0.00	320.61	320.61
Profit from Ordinary Activities	0.00	0.00	0.00	649.22
Extra-ordinary Items	0.00	0.00	0.00	0.00
Net Profit	0.00	0.00	0.00	649.22
OTHER INFORMATION				
Segment Assets	18847.69	11275.60	557.33	30680.62
Segment Liabilities	11090.79	3585.28	10792.13	25468.21
Capital Expenditures	71.33	22.68	0.00	94.01
Depreciation	183.03	11.15	0.00	194.18
Non-Cash Expenses other than				
Depreciation	7.19	0.00	0.00	7.19

# **SEGMENT REPORTING FOR THE YEAR 2015-16**

Particulars	Conductor Manufacturing	Project Construction	Unallocable	Total
SEGMENT REVENUE				
External Revenue	28387.64	6434.25	0.00	34821.89
Inter Segment Revenue	0.00	0.00	0.00	0.00
Total Revenue	28387.64	6434.25	0.00	34821.89
SEGMENT RESULTS				0.00
Segment Result before Depreciation,				
Finance Cost & Tax	1612.65	1613.81	0.00	3226.46
Other Incomes		0.00	419.51	419.51
Finance Cost		343.98	2341.32	2685.29
Depreciation	199.83	10.31	0.00	210.14
Unallocable Corporate Expenses	0.00	0.00	39.73	39.73
Income-tax	0.00	0.00	253.13	253.13
<b>Profit from Ordinary Activities</b>	0.00	0.00	0.00	457.67
Extra-ordinary Items	0.00	0.00	0.00	0.00
Net Profit	0.00	0.00	0.00	457.67
OTHER INFORMATION				
Segment Assets	16206.54	8529.85	244.04	24980.42
Segment Liabilities	7814.25	2306.48	10596.50	20717.23
Capital Expenditures	615.23	10.96	0.00	626.19
Depreciation	199.83	10.31	0.00	210.14
Non-Cash Expenses other than				
Depreciation	6.68	0.00	0.00	6.68

# **SEGMENT REPORTING FOR THE YEAR 2014-15**

Particulars	Conductor Manufacturing	Project Construction	Unallocable	Total
External Revenue	29506.39	1581.79	0.00	31088.18
Inter Segment Revenue	0.00	0.00	0.00	0.00
Total Revenue	29506.39	1581.79	0.00	31088.18



SEGMENT RESULTS				0.00
Segment Result before Depreciation,				
Finance Cost & Tax	2191.56	385.77	0.00	2577.33
Other Incomes		0.00	300.81	300.81
Finance Cost		268.35	1824.74	2093.09
Depreciation	146.55	1.40	0.00	147.95
Unallocable Corporate Expenses	0.00	0.00	32.81	32.81
Income-tax	0.00	0.00	220.54	220.54
<b>Profit from Ordinary Activities</b>	0.00	0.00	0.00	383.75
Extra-ordinary Items	0.00	0.00	0.00	0.00
Net Profit	0.00	0.00	0.00	383.75
OTHER INFORMATION				
Segment Assets	17327.94	4706.28	226.25	22260.47
Segment Liabilities	8041.39	571.20	9842.36	18454.94
Capital Expenditures	496.78	2.48	0.00	499.26
Depreciation	146.55	1.40	0.00	147.95
Non-Cash Expenses other than				
Depreciation	5.64	0.00	0.00	5.64

# **SEGMENT REPORTING FOR THE YEAR 2013-14**

	SEGMENT REPORTING FOR THE TERM 2013-14									
Particulars	Conductor Manufacturing	Project Construction	Unallocable	Total						
SEGMENT REVENUE										
External Revenue	25860.52	2906.39	0.00	28766.92						
Inter Segment Revenue	0.00	0.00	0.00	0.00						
Total Revenue	25860.52	2906.39	0.00	28766.92						
SEGMENT RESULTS				0.00						
Segment Result before Depreciation,										
Finance Cost & Tax	1234.33	747.79	0.00	1982.11						
Other Incomes	0.00	0.00	317.47	317.47						
Finance Cost	0.00	219.64	1389.14	1608.78						
Depreciation	86.06	6.55	0.00	92.62						
Unallocable Corporate Expenses	0.00	0.00	24.42	24.42						
Income-tax	0.00	0.00	188.37	188.37						
Profit from Ordinary Activities	0.00	0.00	0.00	385.39						
Extra-ordinary Items	0.00	0.00	0.00	0.00						
Net Profit	0.00	0.00	0.00	385.39						
OTHER INFORMATION										
Segment Assets	13248.99	4256.75	240.44	17746.18						
Segment Liabilities	5875.52	661.98	8033.42	14570.91						
Capital Expenditures	314.53	1.28	0.00	315.80						
Depreciation	86.06	6.55	0.00	92.62						
Non-Cash Expenses other than										
Depreciation	31.97	0.00	0.00	31.97						

# **SEGMENT REPORTING FOR THE YEAR 2012-13**

Particulars	Conductor Manufacturing	Project Construction	Unallocable	Total
SEGMENT REVENUE				
External Revenue	18792.36	2048.03	0.00	20840.39
Inter Segment Revenue	0.00	0.00	0.00	0.00
Total Revenue	18792.36	2048.03	0.00	20840.39
SEGMENT RESULTS				0.00
Segment Result before Depreciation,				
Finance Cost & Tax	591.91	927.73	0.00	1519.63
Other Incomes	3.97	0.00	230.52	234.49
Finance Cost		359.31	909.43	1268.74
Depreciation	72.11	8.87	0.00	80.98
Unallocable Corporate Expenses	0.00	0.00	11.37	11.37



Income-tax	0.00	0.00	130.30	130.30
Profit from Ordinary Activities	0.00	0.00	0.00	262.73
Extra-ordinary Items	0.00	0.00	0.00	0.00
Net Profit	0.00	0.00	0.00	262.73
OTHER INFORMATION				
Segment Assets	11765.49	3025.34	196.00	14986.84
Segment Liabilities	5370.30	573.77	6252.90	12196.96
Capital Expenditures	148.44	0.30	0.00	148.75
Depreciation	72.11	8.87	0.00	80.98
Non-Cash Expenses other than				
Depreciation	1.31	0.00	0.00	1.31

# (5) Provisions, Contingent Liabilities and Contingent Assets (AS 29)

Contingent liabilities and commitments (to the extent not provided for). There are no contingent liabilities as on January 31, 2018 except as mentioned in Note - 31, for any of the years covered by the statements.

# (6) Related Party Disclosure (AS 18)

Related party transactions are reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended, in the Note - 30 of the enclosed financial statements.

# (7) Accounting for Taxes on Income (AS 22)

Deferred Tax liability/Asset in view of Accounting Standard -22: "Accounting for Taxes on Income" as at the end of the year/period is reported as under:

#### CALCULATION OF DTA/DTL

(Amount in Lakhs)

Particulars	As At						
Deferred Tax Liability	31/01/2018	31/03/2017	31/03/2016	31/03/2015	31/03/2014	31/03/2013	
Net WDV as Per Companies Act	1958.95	1431.84	1537.55	1131.13	814.33	591.15	
Net WDV As per Income Tax Act	1818.70	1383.87	1471.63	1031.70	722.47	526.00	
Timing Difference Due to Depreciation	140.25	47.97	65.92	99.43	91.86	65.14	
Deferred Tax Liability (A)	46.37	15.86	21.80	32.87	29.80	21.13	
Incremental Due to Depreciation	30.51	(5.94)	(11.08)	3.07	8.67	0.19	
Gratuity Provisions Accumulated	35.71	27.68	21.36	14.69	9.08	5.97	
Deferred Tax Assets (B)	11.81	9.15	7.06	4.86	2.95	1.94	
Incremental Due to Gratuity Provisions	2.66	2.09	2.21	1.91	1.01	0.42	
Cumulative Balance of Deferred Tax Liability/(Deferred Tax Assets) (A-B)	34.56	6.71	14.73	28.02	26.86	19.20	
Opening Deferred Tax Liability	6.71	14.73	28.02	26.86	19.20	19.43	
Debited/(Credit) to Restated Statement of Profit and Loss Account	27.85	(8.02)	(13.28)	1.16	7.66	(0.23)	

# (8) Earnings Per Share (AS 20):

Earnings per Share have been calculated is already reported in the Note –32of the enclosed financial statements.

# (9) Realizations:



In the opinion of the Board and to the best of its knowledge and belief, the value on realization of current assets, loans and advances will, in the ordinary course of business, not be less than the amounts at which they are stated in the Balance sheet.

#### (10) Contractual liabilities

All other contractual liabilities connected with business operations of the Company have been appropriately provided for.

#### (11) Amounts in the financial statements

Amounts in the financial statements are rounded off to nearest Rupees in lakhs. Figures in brackets indicate negative values.

# (12) MATERIAL ADJUSTMENTS [AS PER SEBI (ICDR) REGULATIONS, 2009]

Appropriate adjustments have been made in the restated financial statements, whenever required, by reclassification of the corresponding items of assets, liabilities and cash flow statement, in order to ensure consistency and compliance with requirement of Company Act 1956, and as replaced by Company Act 2013 after 01<sup>st</sup> April 2014 and Accounting Standards.

The Summary of results of restatements made in the audited financial statements of the Company for the respective period / years and their impact on the profit / (loss) and assets and liabilities of the Company is as under.

#### Statement of adjustments in the Financial Statements

The reconciliation of Profit after tax as per audited results and the Profit after tax as per Restated Accounts is presented below in Table-1. This summarizes the results of restatements made in the audited accounts for the respective years/period and its impact on the profit & loss of the company.



Particulars	31/01/2018	31/03/2017	31/03/2016	31/03/2015	31/03/2014	31/03/2013
Net Profit After Tax as per audited accounts but before	803.49	606.05	519.91	443.65	390.37	258.68
adjustments for restated accounts:	003.49		519.91	443.05	390.37	250.00
Decrease/(Increase) in Loss sale of Fixed Assets	(0.57)	3.79	0.80	0.69	0.00	(0.04)
Decrease/(Increase) in Expenses due to Provision of TDS	(0.28)	(0.44)	(0.01)	(0.03)	(28.85)	0.00
Defaults	(0.28)	(0.44)	(0.01)	(0.03)	(20.03)	0.00
Decrease/(Increase) in Depreciation/Amortization Exp	18.08	23.25	2.97	(3.12)	0.99	0.58
Decrease/(Increase) in DTL	(1.96)	(10.48)	0.81	(0.20)	1.22	(1.23)
Decrease/(Increase) in Expenses due to Adj in Interest Expense	0.33	0.42	0.45	0.91	0.91	0.16
Decrease/(Increase) in Expenses due to Adj in Interest Received	0.00	0.00	0.00	0.00	0.00	(2.30)
Decrease/(Increase) in Expenses due to Adjustment in Misc	(4.68)	(8.71)	5.79	0.21	3.72	2.63
Expenses	(4.08)	(6.71)	3.19	0.21	3.72	2.03
Decrease/(Increase) in Expenses due to Income Tax PY Adj	0.00	0.00	0.00	0.00	0.00	0.00
Decrease/(Increase) in Provision of Income Tax	0.00	(2.84)	(22.20)	(4.83)	0.00	(0.26)
Decrease/(Increase) in Legal Expenses due to Adj of Preliminary	(3.75)	0.00	0.00	0.00	0.00	0.00
Exp	(3.73)	0.00	0.00	0.00	0.00	0.00
Decrease/(Increase) in Expenses due to Change in Interest on IT	(1.37)	0.00	(0.51)	(1.01)	(0.01)	(2.28)
Decrease/(Increase) in Expenses due to Preliminary Exp	0.75	0.00	0.00	0.00	0.19	0.51
Decrease/(Increase) in Expenses due to Adj of CST/Sales Tax	55.96	39.50	(34.46)	(3.54)	12.69	10.79
Payments	33.90	39.30	(34.40)	, ,	12.09	10.79
Decrease/(Increase) in Finance Charges	66.74	(1.68)	(24.45)	(42.93)	4.57	(4.64)
Decrease/(Increase) in Outward Freight, Delivery & Handling	0.00	0.00	0.00	0.00	0.00	0.69
Charge			0.00		0.00	0.09
Decrease/(Increase) in Consultancy Exp/Audit Exp	0.00	0.00	0.00	0.00	0.00	(0.06)
Decrease/(Increase) in Insurance Expenses	0.00	0.52	8.71	(5.95)	0.00	0.00
Decrease/(Increase) in Purchase of Stock	0.00	0.00	0.00	0.00	(0.21)	0.26
Decrease/(Increase) in Rent	0.00	0.00	0.00	(0.07)	0.00	0.00
Decrease/(Increase) in Tender Exp	0.00	0.00	0.00	0.23	0.00	0.00
Decrease/(Increase) in Travelling Exp	0.00	0.00	0.00	0.00	0.00	0.00
Increase/(Decrease) in FDR Incomes	(35.07)	(0.29)	0.00	0.00	0.00	0.00
Decrease/(Increase) in Expenses due to TDS Receivable	0.00	0.14	(0.14)	(0.27)	(0.21)	(0.76)
Adjustment		0.14	(0.14)		(0.21)	(0.70)
Net Increase/ (Decrease)	94.19	43.17	(62.24)	(59.90)	(4.97)	4.05
Profits after Tax as per Restated Accounts	897.68	649.22	457.67	383.75	385.39	262.73



#### **Notes:**

#### a) Accounting of Depreciation / Amortization

During the process of restatement of Accounts, Company has rectified the Depreciation provision / Amortization which was wrong on account of arithmetical errors and wrong rate of depreciation / method of amortization adopted, and due to non-compliance with the certain requirements of schedule II of the Companies Act, 2013 w.e.f. 1.4.2014 onwards. Further, the same has also impact on profit and loss on sale of Property, Plant & Equipment items during the restatement period. The same has been rectified and accordingly effect thereof has been stated in Table 1 (Statement of Profit and Loss after Tax). Further, the Balance Sheet figures of property, plant and equipment have also been restated after giving impact of change in depreciation provisions.

#### b) Adjustment on account of Provision of Deferred Tax:

Due to changes in depreciation provisions and other adjustments, etc, the Company has recalculated the deferred tax liability and deferred tax assets at the rate of normal Tax rate applicable at the end of relevant year/period. The same has been rectified and accordingly effect thereof has been stated in Table 1 (Statement of Profit and Loss after Tax). Further, the Balance Sheet figures of Deferred Tax Liabilities/Assets have also been restated after giving impact of re-calculation.

#### c) Accounting of Short Depreciation prior to 31.03.2012:

During the period of restatement, the Company has identified short depreciation charged amounting to Rs. 1.74 Lakhs on property, plant and equipment upto 31.03.2012 and accordingly, Rs. 1.74 Lakhs has been reduced from Opening balance of Retained earnings on account of such short depreciation charged in earlier years, etc. and adjusted the carrying amount of Property, Plant & Equipment as on 01.04.2012. Further, corresponding adjustment on account of Deferred Tax on such depreciation has been added in Opening Balance of Retained Earnings as on 01.04.2012.

# d) Provision of TDS defaults

During the period of restatement, the Company has identified some TDS defaults as per Traces which amounts to Rs. 29.61 Lakhs. The same has been provided for in restated financials and accordingly effect thereof has been stated in Table 1 (Statement of Profit and Loss after Tax).

#### e) Adjustment of Income-tax, Local Sales Tax, Central Sales Tax and Service Tax paid for earlier years

During the period of restatement, the Company has identified material amounts relating to adjustments for previous year on account income tax, local sales tax, Central Sales Tax and Service Tax paid for earlier year 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 in terms of ICDR Guidelines. The impact thereof has been stated in Table 1 (Statement of Profit and Loss after Tax).

#### f) Provision of Interest Expenses and other adjustments

During the period of restatement, the Company has identified that it was not making provisions in respect of interest expenses accrued but not due as per repayment schedules of the respective loan. The interest was accounted for as and when it was paid only. The same has been rectified and accordingly effect thereof has been stated in Table 1 (Statement of Profit and Loss after Tax).

#### g) Other Items pertain to Previous Years

During the period of restatement, the Company has identified material amounts relating to Prior Period Expenses and Incomes and adjusted in arriving at the restated profits of the years to which they relate. The impact thereof has been stated in Table 1 (Statement of Profit and Loss after Tax).



#### h) Adjustment of TDS Receivable

During the period of restatement, the Company has adjusted TDS receivables of respective year as provided in Form 26AS issued by Income-tax Department in the respective year to which they relate. The impact thereof has been stated in Table 1 under the head sundry balance written off (Statement of Profit and Loss after Tax).

#### i) Accounting of Preliminary Expenses

During the period of restatement, the Company has rectified the accounting of Preliminary Expenses in terms of Accounting Standards and accordingly, preliminary expenses have been charged to revenue during the year in which they incurred instead of differing the same. The impact thereof has been stated in Table 1(Statement of Profit and Loss after Tax) and the balance of preliminary expenses relating to a period earlier than reporting period is adjusted through opening balance of retained earnings as on 01.04.2012.

#### j) Accounting of Loan Processing Fees/ Charges

The Company was accounting for the loan processing fees as per deferred system i.e. writing off the expenditure over the period of loan which was a wrong practice in terms of mercantile concept of accounting. During the period of restatement, the Company has identified this wrong practice and accordingly, in restated financials, the company has rectified the accounting of loan processing fees (other than charges paid for issuing bank guarantees) by charging the fees in the year in which it is incurred. The impact thereof has been stated in Table 1(Statement of Profit and Loss after Tax).

#### k) Adjustment of Income-tax Paid under Income Disclosure Scheme

In FY 2016-17, the Company has charged Rs. 180 Lakhs to the retained earnings on account of income tax to be paid against undisclosed income declared under Income Disclosure Scheme issued by the Income-tax Department / CBDT. The Company has declared this income against the undisclosed income pertaining to financial year 2011-12. As FY 2011-12 is outside the reporting period, in restated financials, the Company has adjusted the amount of tax amounting to Rs. 180 Lakhs against opening balance of retained earnings as on 1<sup>st</sup> April, 2012 in terms of ICDR Guidelines.

#### 1)Regrouping and Reclassification of Items of Balance Sheet and Profit & Loss Account

During the period of restatement, the Company has identified certain wrong grouping and classification of items of balance sheet and profit and loss account and accordingly, in restated financials, the Company has rectified, regrouped and reclassified the items of balance sheet and profit and loss account wherever required to make the financials comparable for every year.

#### m) Adjustment of account of error in accounting of bank payment to supplier

During the restated financials, the Company has identified an error in accounting of a bank payment amounting to Rs. 105 Lakhs which was wrongly debited to supplier account in FY 2016-17 instead of FY 2017-18. The same has been rectified in restated financials and accordingly, cross impact thereof on bank account balance and trade payable have been given in restated financials.

#### n) Adjustment in Provision of Tax as per Income-tax Return & Assessed Tax

In restated financials, the Company has adjusted the provision of income tax as per amount of income tax paid as per income tax return or assessment order, if any, for that assessment year. In restated financials, the provision of income tax has not been adjusted by giving impact of items added or reduced in profit and loss account as per Table -1 (Statement of Profit or Loss after Tax), however, the impact thereof has been shown in Note -34 "Statement of Tax Shelter" to the restated financials.



# o) Adjustment in Opening Balance of Retained Earnings as on 1<sup>st</sup> April, 2012 i.e. opening balance of earliest reporting period

In restated financials, the Company has adjusted the opening balance of retained earnings amounting to Rs. 449.79 Lakhs by debiting or crediting with the amounts of items relating to a period prior to earliest reporting period i.e. items pertaining to financial year 2011-12 or before which were charged or credited to revenue in subsequent years due to error or omission or due to occurrence of event in reporting period only. Accordingly, the restated figure of opening balance of retained earnings as on 1<sup>st</sup> April, 2012 has been arrived at Rs. 174.74 lakhs.

For Mansaka Ravi & Associates Chartered Accountants FRN 015023C PRC No. 008582

Ravi Mansaka, FCA Partner Membership No. 410816

Date: 06.06.2018 Place: Jaipur



# NOTE-1 RESTATED STANDALONE STATEMENT OF SHARE CAPITAL

(Amount in Lakhs)

Particulars	As At							
Particulars	31/1/2018	31/3/2017	31/3/2016	31/3/2015	31/3/2014	31/3/2013		
(a) Number and Amount of Autho	rized Share Capi	ital						
Number of Equity Share of Rs. 10 each	100.00	50.00	50.00	50.00	50.00	50.00		
Total Authorized Equity Capital	1000.00	500.00	500.00	500.00	500.00	500.00		
Number of Preference Share of Rs. 10 each								
Total Authorized Preference Capital								
Total Authorized Share Capital	500.00	500.00	500.00	500.00	500.00	500.00		
(b) Issued, Subscribed & Paid-up	Capital							
Equity Share Capital	426.59	403.09	373.09	373.09	348.09	263.96		
Preference Share Capital								
Total	426.59	403.09	373.09	373.09	348.09	263.96		
(c) Reconciliation of Number of Sh	ares outstanding	g at the beginn	ing and at th	e end of the	reporting period	d		
Opening number of equity shares outstanding	40.31	37.31	37.31	34.81	26.40	26.40		
Add: Equity Shares issued during the year	2.35	3.00	0.00	2.50	8.41	0.00		
Add: Bonus Shares issued during the year	0.00	0.00	0.00	0.00	0.00	0.00		
Closing Number of Equity Shares Outstanding	42.66	40.31	37.31	37.31	34.81	26.40		

- (d) The rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital
- (i) The Company has one class of Equity shares having a par value of Rs. 10 per share. Each Share holder is eligible for one vote per share held.
- (ii) All Equity Shareholders are eligible to receive dividends in proportion to their shareholdings.
- (iii) The dividends proposed by the Board of Directors are subject to the approval of the Shareholders in the ensuing Annual General Meeting.
- (iv) In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their share holding.

# (e) Shareholders holding more than 5% of shares of the Company (Number of shares in lacs)

( )	0			• \	,	
Name of Shareholder	31/1/2018	31/3/2017	31/3/2016	31/3/2015	31/3/2014	31/3/2013
Manro Finance &						
Traders Private	8.41	7.91	7.41	7.41	6.91	4.33
Limited						
Bhavsagar						
Commodities Private	8.40	7.92	7.42	7.42	6.92	4.00
Limited						
Shanti Prasad Fomra	3.03	3.03	3.03	3.03	3.03	3.03
Shree Ballabh Fomra	2.17	2.17	2.07	2.07	2.07	0.00
Panabai Fomra	0.00	0.00	0.00	0.00	0.00	2.00



Balgopal Commodeal Private Limited	8.43	7.93	6.73	6.73	6.23	3.50
MM Fomra (HUF)	0.00	0.00	0.00	0.00	0.00	1.45
VK Fomra (HUF)	0.00	0.00	0.00	0.00	0.00	1.45

- (f) As the company is not a subsidiary of any Company, its shares are not held by any holding or ultimate holding company.
- (g) There are no shares reserved for issue under options and contracts or commitments for the sale of shares or disinvestment.
- (h) There are no shares which were alloted (i) pursuant to contracts without payment being received in cash.
- (i) During the reporting period, Company has not alloted/issued bonus shares.
- (j) There are no securities which are convertible into equity/prefernce shares.
- (k) There are no calls which are unpaid.
- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

NOTE-2
RESTATED STANDALONE STATEMENT OF RESERVES & SURPLUS

Particulars	As At								
1 at ticulars	31/1/2018	31/3/2017	31/3/2016	31/3/2015	31/3/2014	31/3/2013			
(a) Securities Premium Reserve									
Balances at the beginning of the reporting period	2270.89	2000.89	2000.89	1775.89	1187.02	1187.02			
Changes in accounting policy or prior period errors									
Restated balance at the beginning of the reporting period	2270.89	2000.89	2000.89	1775.89	1187.02	1187.02			
Securities Premium received during the year	211.50	270.00	0.00	225.00	588.88	0.00			
Any other Change (to be specified)									
Balance at the end of the reporting period	2482.39	2270.89	2000.89	2000.89	1775.89	1187.02			
(b) Retained Earnings									
Balances at the beginning of the reporting period	2538.43	1889.21	1431.54	1051.29	665.90	403.16			
Changes in accounting policy or prior period errors						0.00			
Restated balance at the beginning of the reporting period	2538.43	1889.21	1431.54	1051.29	665.90	403.16			
Profit/(Loss) during the year as per profit and loss account	897.68	649.22	457.67	383.75	385.39	262.73			
Less: Dividends Distributed During the Year	0.00	0.00	0.00	0.00	0.00	0.00			
Less: Transitional Adjustment as per Companies Act, 2013	0.00	0.00	0.00	3.50	0.00	0.00			
Balance at the end of the reporting period	3436.11	2538.43	1889.21	1431.54	1051.29	665.90			
TOTAL OF RESERVES & SURPLUSES	5918.51	4809.32	3890.11	3432.44	2827.18	1852.91			



- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. Company is does not having any Revaluation Reserve.
- 3. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

## ${\bf NOTE-3}$ RESTATED STANDALONE STATEMENT OF LONG TERM BORROWINGS

(Amount in Lakhs)

Particulars			As At			
Faruculars	31/1/2018	31/3/2017	31/3/2016	31/3/2015	31/3/2014	31/3/2013
Secured Loans						
(a) Bonds or debentures;						
(b) Term Loans						
(i) from Banks;	29.35	23.71	67.40	93.98	107.67	7.91
(ii) from other parties						
(c) Deferred payment						
liabilities						
(d) Deposits;						
(e) Loans and advances from						
Related Parties;						
(f) Long term maturities of						
finance lease obligations						
(g) Other Loans and						
advances						
Unsecured Loans						
(a) Term Loans	0.00	0.00	0.00	0.00	0.00	0.00
(b) Other Loans	400.94	915.85	650.89	1303.64	1349.67	813.38
Total	430.29	939.55	718.30	1397.62	1457.34	821.29

#### Notes:

- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. The above statement should be read with the significant accounting policies and notes to restated summary, statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.
- 3. List of persons/entities classified as 'Related Parties' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.
- 4. The terms and conditions and other information in respect of Secured Loans as on 31.01.2018 are given in Annexure -3(A) & in respect of unsecured loans are given in Annexure-3(B)

# NOTE - 3(A) RESTATED STANDALONE STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS AND ASSETS CHARGED AS SECURITY

Name of Lender	Purpose	Loan/Agree ment A/c No.	Sanctio ned Amoun t	Rate of inter est	Re- Paym ent Sched ule	Mor a- tori um	Primar y & Collate ral Securit y	Outstan ding amount as on 31.03.20 17 as per Restated Account	Outstan ding amount as on 31.01.20 18 as per Restated Account
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								S	S
		S	ecured Lo	an				В	
Canara Bank	Loan for Machinery	773000376	150.00	12.40	EMI	NIL	Machin ery	45.08	20.03
HDFC Bank	Car Loan- XUV	33511693	15.00	10.00	EMI	NIL	Motor Vehicle	6.74	-
HDFC Bank	Car Loan- Audi	28955688	25.00	13.80 %	EMI	NIL	Motor Vehicle	4.08	-
ICICI Bank	Car Loan- Honda City	33988989	10.00	9.99 %	EMI	NIL	Motor Vehicle	6.45	3.65
Union Bank of India	Car Loan- Sumo	4369065200 14112	6.70	10.70 %	EMI	NIL	Motor Vehicle	5.06	4.35
Audi Financial Services	Car Loan- Audi	2017111377	25.00	8.00 %	EMI	NIL	Motor Vehicle	0.00	12.31
Kotak Mahindr a Bank	Car Loan- Kotak	CF- 14445943	15.00	8.10 %	EMI	NIL	Motor Vehicle	0.00	22.84
Canara Bank	Cash Credit	5261010116	4000.00	MCL R + 2.70 %	on Dema nd	NIL		3968.54	3887.43
Union Bank of India	Demand Loan	5010031051	2475.00	MCL R + 2.65 %	on Dema nd	NIL	As mentio	2096.49	2498.03
Karnata ka Bank	Overdraft Facility	600004201	2025.00	MCL R + 2.25 %	on Dema nd	NIL	ned below	1688.97	2081.74
Punjab National Bank	Cash Credit	2100235840	500.00	MCL R + 2.25 %	on Dema nd	NIL		-	462.03
		TOTAL						7821.40	8992.42

### 1. Primary & Collateral Securities

Loan From and Type	Primary Security	Collateral Security								
	First pari passu	KBL	PNB	UBI	CANARA					
	charge with other working capital	First Pari passu char properties / securities :	ge with other	working capi	tal lenders on the following					
	lenders over entire current assets		Hypothecation of plant and machineries and other movable /non movable assets of the							
KBL, PNB,	(present and future)	Term Deposit with Canara Bank amounting to Rs. 229 Lakh- For All								
UBI,	of the Company	EM by way of deposit of title deeds of office space situated at Room No. 21, ground								
CANARA	including stocks of raw materials, WIP			P.S. Bowbazar,	Kolkata-001, measuring 475 sq					
	and finished goods, consumables, spares, receivables,	C/K-06 on 2nd Floor, K	M by way of deposit of title deeds of leased residential flat property situated at unit no. /K-06 on 2nd Floor, KMDA Housing Complex, Bidhan Nagar, Sourav Abasan in Plot o. EE-184, Sector II, Salt Lake City, Kolkata-700091 measuring 720.45 sq fts (carpet							
	etc and book debt of the Company	area) with one parking space belonging to Mr. Shree Ballabh Fomra.  EM by way of deposit of title deeds of office space situated at Room No. 506, on fifth								



	floor, Swaika Centre, 4A Pollock Street, P.S. Bowbazar, Kolkata-001, measuring 711 sq								
fts belonging to the Company.  EM by way of deposit of title deeds of commercial space situated at Unit No. 3FA on the									
1st Floor, Plot No. BG-12 in action area 1B, New Town Rajarhat, District 24 Parganas									
(North), Kolkata, measuring 2500 sq fts									
EM by way of deposit of title deeds of commercial space situated at Unit No. 3B & 3C									
on the 1st Floor, Plot No. BG-12 in	on the 1st Floor, Plot No. BG-12 in action area 1B, New Town Rajarhat, District 24								
Parganas (North), Kolkata, measuring 6	Parganas (North), Kolkata, measuring 6893 sq fts belonging to the Company.								
EM by way of deposit of title deeds of	of office space situated at Room No. 507 on fifth								
floor, Swaika Centre, 4A Pollock Stree	et, P.S. Bowbazar, Kolkata-001, measuring 684 sq								
fts belonging to the Company.									
	rst floor of Plot No. BG 12, New Town Rajarhat,								
Kolkata standing in the name of the Hol									
EM by way of deposit of title deeds of									
factory land and building situated at									
Sankrial Industrial Estate, near Bombay									
Road (NH-6), Village Bhagabatipur,									
PO Kanduah, PS Sankrial, Dist									
Howarh (land measuring 45.42 Cottah									
and building measuring 5214 sq fts and									
factory shed measuring 18969 sq fts,									
belonging to the Company.									
EM by way of deposit of title deeds of									
factory land and building situated at									
Sankrial Industrial Estate, near Bombay									
Road (NH-6), Village Bhagabatipur,									
PO Kanduah, PS Sankrial, Dist									
Howarh (land measuring 64.39 Cottah									
and factory shed measuring 31490 sq									
fts, belonging to the Company									
EM of landed property admeasuring									
2101.77 Sq ft in the name of Company									
at RS Dag No. 1439, 1440,1491, 1487,									
and LR No. 1375, 1377, 1416, 1415,									
1414 at Mouza Jaladhulagari, JL No -									
02, PS Sankrial, Dist Howarh.									
	EMT of Factory Land and Building at								
	Dhulagarh Industrial Park in the name of Mr.								
	Rashmi Fomra, Shashikala Fomra, Rajkumari								
	Fomra and Priti Fomra, bearing Deed No.								
	2056, 2973, 2782, 2976, Khaitan No. 237 &								
	1349 area 75.07 decimals.								
	Emt of Factory Land and Building in the name								
	of M/s Radhika Transmisison Private Limited								
	at Sankrial Industrial Park, Vill Bhagwati pur,								
	Dist Howrah, Kolkata, bearing Khaitan No.								
569, 572, 237 and 75, area 124.50 decimals.									
1. Mr. Shree Ballabh Fomra	207, 272, 207 and 70, area 127.00 decimals.								
2. Mr. Madan Mohan Fomra									
3. Mr. Vijay Kumar Fomra									
4. Mrs. Rashmi Fomra									
	5. Mrs. Shashi Kala Fomra								
6. Mrs. Priti Fomra									
7. Mrs. Raj Kumari Fomra									

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Personal Guarantees



	M/s Radhika Transmission M/s Holistic Properties F		
		M/s Manro Finance & Traders Pvt Ltd	
Corporate Guarantees		M/s Balgopal Comodeal Pvt Ltd.	
		M/s Bhavsagar Commodities Pvt Ltd.	

as per rate of interest as mentioned below:-

- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. The above statement should be read with the significant accounting policies and notes to restated summary, statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

# NOTE 3(B) RESTATED STANDALONE STATEMENT OF TERMS & CONDITIONS OF UNSECURED LOANS

A) Details of Unsecured Loans outstanding as at the end of the latest Reporting period from Directors/Promoters/Group Companies and others
Unsecured Loans from Directors/Promoters/Group Companies and other Companies are repayable on demand and

(Amount in Lakhs)

Name of Lender	Rate of interest	Re- Payment Terms	As on 31.01.2018	As on 31.03.2017	As on 31.03.2016	As on 31.03.2015	As on 31.03.2014	As on 31.03.2013
(A) From Related Parties								
From Directors	12%	On Demand	101.92	49.03	47.67	44.80	21.87	29.00
From Shareholders	12%	On Demand	10.07	0.00	0.00	0.00	348.11	347.29
From Body Corporates	12%	On Demand	17.65	439.82	467.49	418.11	132.62	157.59
Total (A)			129.64	488.85	515.15	462.91	502.60	533.88
(B) Loan From Others								
From Banks (Channel Finance)		As per Terms	1512.35	1514.03	1515.76	1008.06	806.28	808.84
From Financial Institutions (Channel & Dealer Finance)		As per Terms	777.48	461.67	453.66	727.21	788.61	520.57
From Other Body Corporates	12%	On Demand	271.30	427.00	135.74	840.73	847.07	279.50
Total (B)			2561.13	2402.70	2105.15	2576.01	2441.96	1608.90
Grand Total (A+B)			2690.77	2891.55	2620.31	3038.91	2944.56	2142.79

### Notes:

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.



2. The above statement should be read with the significant accounting policies and notes to restated summary, statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

NOTE – 4
RESTATED STANDALONE STATEMENT OF DEFERRED TAX (ASSETS) / LIABILITIES

(Amount in Lakhs)

Particulars	For the ten month period Ended 31/1/2018	For the Year ended  31/3/2017   31/3/2016   31/3/2015   31/3/2014   31/3/2013						
Opening Balance (A)								
Opening Balance of Deferred Tax (Asset) / Liability	6.71	14.73	28.02	26.86	19.20	19.43		
<b>Current Year Provision (B)</b>								
(DTA) / DTL on Depreciation	30.51	(5.94)	(11.08)	3.07	8.67	0.19		
(DTA) / DTL on Provision for Gratuity/Carry Forward Losses	2.66	2.09	2.21	1.91	1.01	0.42		
Closing Balance of Deferred Tax (Asset) / Liability (A+B)	34.56	6.71	14.73	28.02	26.86	19.20		

Notes:

- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. The above statement should be read with the significant accounting policies and notes to restated summary statement of profit and loss account and cash flows statement as appearing in Annexures IV, I, I and III.

NOTE-5
RESTATED STANDALONE STATEMENT OF OTHER LONG TERM PROVISIONS

(Amount in Lakhs)

PARTICULARS	As At								
FARTICULARS	31/1/2018	31/3/2017	31/3/2016	31/3/2015	31/3/2014	31/3/2013			
Provision for									
<b>Employee Benefits</b>									
Provision For	29.82	22.39	16.63	12.86	8.39	5.67			
Gratuity	29.62	22.39	10.05	12.00	8.39	3.07			
Others									
Total	29.82	22.39	16.63	12.86	8.39	5.67			

Notes:-

- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III

NOTE-6
RESTATED STANDALONE STATEMENT OF SHORT TERM BORROWINGS

Particulars	As At								
Farticulars	31/1/2018	31/3/2017	31/3/2016	31/3/2015	31/3/2014	31/3/2013			
Secured									
(a) Loans Repayable on									
Demand									
(i) from Banks;	8929.23	7754.00	7771.70	6626.57	4913.82	4075.59			
(ii) Financial Institutions	0.00	0.00	0.00	0.00	0.00	0.00			
(b) Loans and advances	0.00	0.00	0.00	0.00	0.00	0.00			



from Related Parties;						
(c) Deposits	0.00	0.00	0.00	0.00	0.00	0.00
(d) Others Loans and	0.00	0.00	0.00	0.00	0.00	0.00
advances	0.00	0.00	0.00	0.00	0.00	0.00
Unsecured						
(a) Loans Repayable on						
Demand						
(i) from Banks;	1512.35	1514.03	1515.76	1008.06	806.28	808.84
(ii) from Financial	777.48	461.67	453,66	727.21	788.61	520.57
Institutions	777.40	401.07	433.00	727.21	700.01	320.37
(b) Loans and advances	0.00	0.00	0.00	0.00	0.00	0.00
from Related Parties;	0.00	0.00	0.00	0.00	0.00	0.00
(c) Deposits	0.00	0.00	0.00	0.00	0.00	0.00
(d) Others Loans and	0.00	0.00	0.00	0.00	0.00	0.00
advances	0.00	0.00	0.00	0.00	0.00	0.00
Total	11219.06	9729.69	9741.11	8361.85	6508.71	5404.99

- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. The above statement should be read with the significant accounting policies and notes to restated summary, statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.
- 3. List of persons/entities classified as 'Promoters' and 'Promoter Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.
- 4. The terms and conditions and other information in respect of Secured Loans as on 31.01.2018 are given in Annexure 3(A) & 3(B)

NOTE-7
RESTATED STANDALONE STATEMENT OF TRADE PAYABLES

(Amount in Lakhs)

DADELCHI ADC				As At		•
PARTICULARS	31/1/2018	31/3/2017	31/3/2016	31/3/2015	31/3/2014	31/3/2013
(A) total outstanding dues of micro enterprises and small enterprises; and	0.00	0.00	0.00	0.00	0.00	0.00
(B) total outstanding dues of creditors other than micro enterprises and small enterprises as below:-						
Sundry Creditors for Goods	15655.90	11313.00	7819.37	6223.19	4656.52	4046.67
Sundry Creditors for Expenses	1771.19	1643.65	698.11	512.99	436.09	287.04
Sundry Creditors for Others	0.00	71.54	46.26	50.30	73.91	91.90
Total	17427.09	13028.19	8563.75	6786.47	5166.51	4425.61

### Notes:

- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.
- 3. Amount due to entities covered under Micro, Small and Medium Enterprises as defined in the Micro, Small, Medium Enterprises Development Act, 2006, have been identified on the basis of information available with the



Company. There was no amount due to any such entities which needs to be disclosed separately in terms of requirement of Schedule II to the Companies Act, 2013.

NOTE-8
RESTATED STANDALONE STATEMENT OF OTHER CURRENT LIABILITIES

(Amount in Lakhs)

PARTICULARS			As At	t		
PARTICULARS	31/1/2018	31/3/2017	31/3/2016	31/3/2015	31/3/2014	31/3/2013
Current Maturity of Long Term Debts	33.84	43.70	47.64	41.09	34.93	8.75
Advance from Customers	2950.09	1231.28	1012.74	1374.31	966.52	1132.22
Other Liabilities	105.83	269.88	266.59	179.37	130.67	126.98
Provision for Tax Liability under IDS	0.00	90.00	180.00	180.00	180.00	180.00
Interest Accrued but not due on borrowings	0.20	0.60	1.01	1.27	1.40	0.14
Unpaid Installments of Term Loans	0.11	0.11	0.11	0.11	0.00	0.22
Provision for CST/Sales Tax Liabilities	0.00	55.96	95.46	60.99	57.45	70.15
Total	3090.08	1691.53	1603.54	1837.15	1370.98	1518.46

Notes:-

- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

NOTE-9
RESTATED STANDALONE STATEMENT OF SHORT TERM PROVISIONS

(Amount in Lakhs)

PARTICULARS			As	At		
FARTICULARS	31/1/2018	31/3/2017	31/3/2016	31/3/2015	31/3/2014	31/3/2013
Provision for Gratuity	5.89	5.29	4.73	1.83	0.68	0.30
Provision for Leave Encashment	0.00	0.00	0.00	0.00	0.00	0.00
Provision for Taxation (Net)	82.89	15.52	25.27	0.00	2.58	1.45
Provision made for Previous Year	0.00	0.00	0.26	0.26	0.00	0.00
Provision for TDS Defaults as per 26AS	29.61	29.34	28.90	28.89	28.85	0.00
Total	118.40	50.14	59.16	30.97	32.12	1.74

Notes:

- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

## NOTE-10 RESTATED STANDALONE STATEMENT OF PROPERTY, PLANT & EQUIPMENT

2012-13	-13 Gross Carrying Amount	Depreciation	Net Carryi ng Amoun
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									t
PARTICULAR S	As on 01.04.2 012	Additi ons Durin g the Year	Deleti on / Dispo sal Durin g the Year	As on 31.03.2 013	Accumul ated Deprecia tion as on 01.04.201	Deprecia tion During the Year	Deduct ion During the Year	Accumul ated Deprecia tion as on 31.03.201	As on 31.03.2 013
Computers and Printers	20.18	2.09	0.00	22.27	14.37	2.81		17.17	5.10
Electrical Installations	41.94	6.53	0.00	48.47	19.58	3.20		22.78	25.69
Factory Buildings	169.22	30.49	0.00	199.71	47.25	12.63		59.87	139.84
Four Wheelers	83.89	16.90	5.60	95.19	43.49	11.75	4.26	50.97	44.21
Furniture and Fixtures	5.16	0.06	0.00	5.22	3.14	0.38		3.52	1.69
Heavy Vehicles	20.10	0.00	0.00	20.10	5.55	4.36		9.92	10.18
Lab Equipments	0.90	0.00	0.00	0.90	0.25	0.09		0.34	0.56
Land	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00
Office Building	28.19	62.19	0.00	90.37	5.34	2.03		7.37	83.01
Office Equipments	18.89	0.95	0.00	19.85	7.76	1.63		9.39	10.45
Plant and Machinery	451.13	29.53	0.00	480.66	175.92	40.15		216.06	264.60
Two Wheelers	1.76	0.00	0.00	1.76	0.50	0.33		0.83	0.93
Total	841.35	148.75	5.60	984.50	323.14	79.35	4.26	398.23	586.27

2013-14	Gre	oss Carry	ing Amo	unt			Net Carryi ng Amoun t		
PARTICULAR S	As on 01.04.2 013	Additi ons Durin g the Year	Deleti on / Dispo sal Durin g the Year	As on 31.03.2 014	Accumul ated Deprecia tion as on 01.04.201	Deprecia tion During the Year	Deduct ion During the Year	Accumul ated Deprecia tion as on 31.03.201	As on 31.03.2 014
Computers and Printers	22.27	1.97		24.24	17.17	2.63		19.80	4.44
Electrical Installations	48.47	13.78		62.25	22.78	3.63		26.41	35.84
Factory Buildings	199.71	16.89		216.60	59.87	14.26		74.14	142.47
Four Wheelers	95.19	0.00		95.19	50.97	11.45		62.42	32.77
Furniture and Fixtures	5.22	0.95		6.17	3.52	0.48		4.01	2.16
Heavy Vehicles	20.10	0.00		20.10	9.92	3.05		12.97	7.13
Lab Equipments	0.90	0.00		0.90	0.34	0.08		0.42	0.48
Land	0.00	82.15		82.15	0.00	0.00		0.00	82.15
Office Building	90.37	0.00		90.37	7.37	4.15		11.52	78.86
Office	19.85	2.65		22.49	9.39	1.74		11.13	11.37



Total	984.50	315.80	0.00	1300.3	398.23	90.99	0.00	489.22	811.08
Two Wheelers	1.76	0.00		1.76	0.83	0.24		1.07	0.69
Plant and Machinery	480.66	197.41		678.07	216.06	49.28		265.35	412.72
Equipments									

2014-15		ss Carry Amount	ing		D	epreciatio	n			Net Carrying Amount
PARTICUL ARS	As on 01.04. 2014	Addi tions Duri ng the Year	Dele tion / Disp osal Duri ng the Yea r	As on 31.03. 2015	Accum ulated Deprec iation as on 01.04.2 014	Deprec iation During the Year	Dedu ction Duri ng the Year	Transi tional Adjust ment	Accum ulated Deprec iation as on 31.03.2 015	As on 31.03.2015
Computers and Printers	24.24	6.35	0.00	30.59	19.80	3.72		0.95	24.47	6.12
Electrical Installations	62.25	0.00	0.00	62.25	26.41	11.78		0.11	38.29	23.96
Factory Buildings	216.6 0	12.07	0.00	228.6 8	74.14	13.56		0.00	87.69	140.99
Four Wheelers	95.19	41.73	8.03	128.8 8	62.42	19.18	6.29	0.07	75.38	53.50
Furniture and Fixtures	6.17	1.07	0.00	7.24	4.01	0.67		0.03	4.71	2.53
Heavy Vehicles	20.10	0.00	0.00	20.10	12.97	2.28		0.00	15.25	4.85
Lab Equipments	0.90	0.00	0.00	0.90	0.42	0.17		0.00	0.58	0.32
Land	82.15	90.26	0.00	172.4 1	0.00	0.00		0.00	0.00	172.41
Office Building	90.37	0.00	0.00	90.37	11.52	3.84		0.00	15.35	75.02
Office Equipments	22.49	0.84	0.00	23.33	11.13	6.99		1.28	19.40	3.94
Plant and Machinery	678.0 7	346.9 3	63.0	961.9 6	265.35	83.96	33.77	1.06	316.60	645.36
Two Wheelers	1.76	0.00	0.00	1.76	1.07	0.18		0.00	1.25	0.51
Total	1300. 30	499.2 6	71.0 7	1728. 49	489.22	146.32	40.06	3.50	598.98	1129.51

2015-16	Gro	ss Carry	ing Am	ount		Depreciation						
									Amount			
	As on	Additio	Deletio	As on	Accumulat	Depreciati	Deductio	Accumulat	As on			
PARTICULARS	01.04.201	ns	n/	31.03.201	ed	on During	n During	ed	31.03.201			
	5	During	Dispos	6	Depreciatio	the Year	the Year	Depreciatio	6			



		the Year	al During		n as on 01.04.2015			n as on 31.03.2016	
			the Year		01.04.2013			31.03.2010	
Computers and Printers	30.59	32.80	0.00	63.39	24.47	19.20		43.67	19.72
Electrical Installations	62.25	0.00	0.00	62.25	38.29	7.67		45.96	16.29
Factory Buildings	228.68	0.00	0.00	228.68	87.69	13.31		101.00	127.68
Four Wheelers	128.88	47.33	25.54	150.67	75.38	23.42	17.31	81.49	69.18
Furniture and Fixtures	7.24	7.29	0.00	14.53	4.71	1.91		6.62	7.92
Heavy Vehicles	20.10	0.00	0.00	20.10	15.25	1.55		16.81	3.29
Lab Equipments	0.90	0.00	0.00	0.90	0.58	0.11		0.69	0.21
Land	172.41	0.00	0.00	172.41	0.00	0.00		0.00	172.41
Office Building	90.37	502.87	0.00	593.25	15.35	15.96		31.31	561.93
Office Equipments	23.33	3.18	0.00	26.52	19.40	2.84		22.23	4.28
Plant and Machinery	961.96	19.60	3.90	977.66	316.60	120.48	2.50	434.58	543.08
Two Wheelers	1.76	8.62	0.00	10.38	1.25	1.56		2.81	7.57
Total	1728.49	621.69	29.44	2320.74	598.98	208.01	19.81	787.18	1533.56

2016-17	Gro	ss Carry	ing Amo	ount		Deprec	iation		Net Carrying Amount
PARTICULARS	As on 01.04.201 6	Additio ns During the Year	During	As on 31.03.201	Accumulat ed Depreciatio n as on 01.04.2016	Depreciati on During the Year	n During		As on 31.03.201 7
Computers and Printers	63.39	13.70	0.00	77.08	43.67	14.62		58.29	18.80
Electrical Installations	62.25	0.00	0.00	62.25	45.96	5.07		51.03	11.22
Factory Buildings	228.68	33.85	0.00	262.52	101.00	12.72		113.72	148.80
Four Wheelers	150.67	0.00	13.77	136.90	81.49	21.64	12.62	90.51	46.39
Furniture and Fixtures	14.53	3.07	0.00	17.60	6.62	2.17		8.79	8.81
Heavy Vehicles	20.10	0.00	0.00	20.10	16.81	1.05		17.86	2.24
Lab Equipments	0.90	0.00	0.00	0.90	0.69	0.07		0.76	0.14
Land	172.41	0.00	0.00	172.41	0.00	0.00		0.00	172.41
Office Building	593.25	0.00	0.00	593.25	31.31	27.36		58.68	534.57
Office Equipments	26.52	3.00	0.00	29.52	22.23	2.23		24.47	5.05
Plant and Machinery	977.66	28.62	16.02	990.26	434.58	103.22	11.63	526.18	464.08
Two Wheelers	10.38	11.78	0.00	22.16	2.81	3.11		5.93	16.23
Total	2320.74	94.01	29.79	2384.96	787.18	193.28	24.25	956.21	1428.75



01.04.17 to 31.01.18	Gro	ss Carry	ing Amo	ount		Deprec	iation	ation		
PARTICULARS	As on 01.04.201 7	Additio ns During the Year	During	As on 31.01.201	Accumulat ed Depreciatio n as on 01.04.2017	_		Depreciatio	As on 31.01.201 8	
Computers and Printers	77.08	10.38	0.00	87.47	58.29	11.82		70.11	17.36	
Electrical Installations	62.25	0.00	0.00	62.25	51.03	2.62		53.65	8.59	
Factory Buildings	262.52	281.26	0.00	543.79	113.72	14.14		127.86	415.93	
Four Wheelers	136.90	55.28	17.99	174.19	90.51	18.66	8.94	100.23	73.96	
Furniture and Fixtures	17.60	9.36	0.00	26.96	8.79	3.21		12.00	14.97	
Heavy Vehicles	20.10	0.00	0.00	20.10	17.86	0.60		18.46	1.64	
Lab Equipments	0.90	0.00	0.00	0.90	0.76	0.04		0.79	0.11	
Land	172.41	0.00	0.00	172.41	0.00	0.00		0.00	172.41	
Office Building	593.25	1.74	0.00	594.99	58.68	21.79		80.47	514.52	
Office Equipments	29.52	7.26	0.00	36.78	24.47	3.34		27.81	8.97	
Plant and Machinery	990.26	326.76	0.00	1317.02	526.18	94.34		620.52	696.50	
Two Wheelers	22.16	21.83	0.00	43.99	5.93	6.42		12.35	31.65	
Total	2384.96	713.89	17.99	3080.85	956.21	176.98	8.94	1124.25	1956.61	

- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

NOTE-11
RESTATED STANDALONE STATEMENT OF INTANGIBLE ASSETS

PARTICULARS			As	At		
TARTICULARS	31/1/2018	31/3/2017	31/3/2016	31/3/2015	31/3/2014	31/3/2013
I. Intangible Assets						
(a) Softwares						
Opening Gross Carrying Amount	4.50	4.50	0.00	0.00	0.00	
Add: Additions During the Year			4.50			
Closing Gross Carrying Amount	4.50	4.50	4.50	0.00	0.00	0.00
Opening Accumulated Amortization	1.40	0.50	0.00	0.00	0.00	
Add: Amortization During the Year	0.75	0.90	0.50			
Closing Accumulated Amortization	2.16	1.40	0.50	0.00	0.00	0.00
Opening Net Carrying Amount	3.10	4.00	0.00	0.00	0.00	0.00
Closing Net Carrying Amount	2.34	3.10	4.00	0.00	0.00	0.00
(b) Goodwill created on Acquisition						



of Partnership Firm						
Opening Gross Carrying Amount	8.13	8.13	8.13	8.13	8.13	8.13
Add: Additions During the Year						
Closing Gross Carrying Amount	8.13	8.13	8.13	8.13	8.13	8.13
Opening Accumulated Amortization	8.13	8.13	6.51	4.88	3.25	1.63
Add: Amortization During the Year	0.00		1.63	1.63	1.63	1.63
Closing Accumulated Amortization	8.13	8.13	8.13	6.51	4.88	3.25
Opening Net Carrying Amount	0.00	0.00	1.63	3.25	4.88	6.51
Closing Net Carrying Amount	0.00	0.00	0.00	1.63	3.25	4.88
Total Closing Values (Standalone)	2.34	3.10	4.00	1.63	3.25	4.88
<b>Total Closing Values (Consolidated)</b>	2.34	3.10	4.00	1.63	3.25	4.88

- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

NOTE – 12 RESTATED STANDALONE STATEMENT OF CAPITAL WORK-IN-PROGRESS

(Amount in Lakhs)

PARTICULARS	As At								
PARTICULARS	31/1/2018	31/3/2017	31/3/2016	31/3/2015	31/3/2014	31/3/2013			
Opening Carrying Amount	508.49	310.04	513.51	508.39	389.58	290.69			
Add: Additions During the Year	55.01	198.45	268.64	135.03	194.56	109.90			
Less: Deletion/Adjustments During the Year	563.50		472.11	129.92	75.76	11.00			
Closing Carrying Amount	0.00	508.49	310.04	513.51	508.39	389.58			

### Notes:-

- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

NOTE-13
RESTATED STANDALONE STATEMENT OF NON-CURRENT INVESTMENTS

PARTICULARS			As	At		
FARTICULARS	31/1/2018	31/3/2017	31/3/2016	31/3/2015	31/3/2014	31/3/2013
(a) Investment in Equity Instruments						
Investment in wholly owned Subsidiary Company M/s Holistic Properties Pvt Ltd (227600 Shares having face value of Rs. 10/- each)	219.01	219.01	0.00	0.00	0.00	0.00
Terminus Owners Association - Unquoted Equity Shares	0.00	0.00	0.00	0.00	0.00	0.00
Advance for Purchase of Investments (Shares)	226.00	0.00	219.01	70.00	0.00	0.00
Total	445.01	219.01	219.01	70.00	0.00	0.00
Aggregate amount of quoted investments;	0.00	0.00	0.00	0.00	0.00	0.00
Aggregate amount of unquoted	445.01	219.01	219.01	70.00	0.00	0.00



investments; and						
Aggregate provision made for diminution in value of investments	0.00	0.00	0.00	0.00	0.00	0.00

#### Note-:

- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

## NOTE – 14 RESTATED STANDALONE STATEMENT OF LONG TERM LOANS & ADVANCES

(Amount in Lakhs)

PARTICULARS	As At								
FARTICULARS	31/1/2018	31/3/2017	31/3/2016	31/3/2015	31/3/2014	31/3/2013			
Secured, considered good;									
Advance against Capital Goods	25.45	0.00	0.00	0.00	0.00	0.00			
Security Deposits	131.97	125.78	97.97	99.12	48.60	54.44			
Total	157.42	125.78	97.97	99.12	48.60	54.44			

#### Note-:

- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

## NOTE-15 RESTATED STANDALONE STATEMENT OF INVENTORIES

(Amount in Lakhs)

PARTICULARS			As	At		
PARTICULARS	31/1/2018	31/3/2017	31/3/2016	31/3/2015	31/3/2014	31/3/2013
Raw Material	458.24	1267.40	1206.68	2142.90	2287.56	1773.10
Work in Progress/ Semi Finished Goods	3795.24	2236.49	2438.61	1845.28	263.54	299.81
Finished Goods	354.00	222.15	222.41	622.45	192.37	152.47
Erection WIP	961.74	409.13	1014.17	1323.02	1145.00	698.10
Scrap	4.52	15.19	8.46	14.94	19.29	37.50
Stock-in-Trade	1788.93	736.49	926.34	437.39	355.41	293.89
Stores, Spares & Tools	52.45	42.27	40.40	40.15	40.63	40.27
Total	7415.11	4929.12	5857.07	6426.13	4303.82	3295.15

#### Note-:

- 1. As per Management Explanation, Inventory has been physically verified by the management of the Company at the end of respective year.
- 2. Inventory is valued in terms of Accounting Standard 2 in which market value of the inventories are determined and certified by the management.
- 3. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 4. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

# NOTE – 16 RESTATED STANDALONE STATEMENT OF TRADE RECEIVABLES

PARTICULARS	As At								
PARTICULARS	31/1/2018	31/3/2017	31/3/2016	31/3/2015	31/3/2014	31/3/2013			
Outstanding for a period exceeding 6 Months									



Total			515.9 5	1769	93.91	1293	33.72	10423	3.09	9864.8	84	8402.4
Others												
director is a partner or director or me												
by firms or private companies in whi												
severally with any other person or de												
Debts due by Directors, Officer, join	tly or											
Unsecured, considered Good												
Others			797.1 8	1152	27.91	8343	3.57	7312	.34	7780.7	75	7472.9 5
director is a partner or director or me												
by firms or private companies in whi												
severally with any other person or de												
Debts due by Directors, Officer, join	tly or											
Secured, Considered Good			-									
Outstanding for a period not excee	ding 6 M	Ionth	S				l		1		1	
Others								_		_		
member												
director is a partner or director or												
private companies in which												
person or debts due by firms or												
jointly or severally with any other												
Unsecured, considered Good  Debts due by Directors, Officer,												
Others	10718.7	1	6166	.00	4590	J.15	311	0.75	20	84.09	9	29.48
member	107107		C1.C.	00	450	1.5	211	0.75	200	0.4.00		20.40
director is a partner or director or												
private companies in which			-		-			-		-		-
person or debts due by firms or												
Debts due by Directors, Officer, jointly or severally with any other												
Secured, Considered Good		-										

#### Note-:

- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

 ${\bf NOTE-17}$  RESTATED STANDALONE STATEMENT OF CASH & CASH EQUIVALENTS

(Amount in Lakhs)

PARTICULARS			As	At		
FARTICULARS	31/1/2018	31/3/2017	31/3/2016	31/3/2015	31/3/2014	31/3/2013
(a) Balances with Banks						
In Current Accounts	46.70	(18.50)	(112.69)	96.83	(21.38)	70.49
FD against Margin Money/Collateral Security	4310.55	4054.65	2751.62	2020.97	1537.36	1326.34
(b) Cheques, drafts on hand						
(c) Cash on Hand	38.24	21.93	25.22	21.58	21.97	12.86
(d) Others						
Total	4395.49	4058.09	2664.15	2139.38	1537.95	1409.69

Note: Disclosure of Specified Bank Notes

During the year , the company had Specified Bank Notes (SBN) or Other Denomination Notes as defined in the MCA notification G.S.R. 308(E) dated March 30, 2017 on details of SBN held and transacted during the period from 8



November 2016 to 30 December 2016, the denomination wise SBNs and other notes as per the notification is given below

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	45.00	10.39	55.39
(+) Permitted receipts	0.00	24.80	24.80
(-) Permitted payments	0.00	29.24	29.24
(+)Non permitted receipts	0.00	0.00	0.00
(+) Amount withdrawn from Bank	0.00	0.00	0.00
(-) Amount deposited in Banks	45.00	0.00	45.00
Closing cash in hand as on 30.12.2016	0.00	5.96	5.96

It is further stated that the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated 8th November, 2016.

#### Note-:

- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

NOTE-18
RESTATED STANDALONE STATEMENT OF SHORT TERM LOANS & ADVANCES

(Amount in Lakhs)

					(7 miount	
PARTICULARS			As	At		
FARTICULARS	31/1/2018	31/3/2017	31/3/2016	31/3/2015	31/3/2014	31/3/2013
Unsecured and Considered Good:						
Advance to Suppliers	517.68	576.16	662.33	865.36	205.51	474.32
Other Advances	236.12	118.94	84.47	119.74	62.11	43.84
Advance to Subsidiary	12.30	11.00	11.00	11.00	0.00	0.00
Prepaid Expenses	333.47	432.24	268.78	190.64	92.52	49.51
Insurance Claim Receivable	0.00	0.00	0.00	0.00	0.00	4.44
Balances with Revenue Authorities	619.44	545.80	328.24	268.03	246.26	210.85
(Other than Income-tax)	019.44	343.60	320.24	208.03	240.20	210.63
TDS Receivable for Next Year	0.00	0.80	3.27	0.00	1.01	0.52
Income Tax Refundable	6.95	6.84	0.00	5.38	0.16	0.00
Deposit against IT Demand Under Appeal	81.60	20.40	0.00	0.00	60.17	60.92
Total	1807.56	1712.19	1358.09	1460.16	667.75	844.40

### Note-:

- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

NOTE-19
RESTATED STANDALONE STATEMENT OF OTHER CURRENT ASSETS

(Amount in Lakhs)

PARTICULARS	As At							
FARTICULARS	31/1/2018	31/3/2017	31/3/2016	31/3/2015	31/3/2014	31/3/2013		
Derivatives Assets (Notional Profit/Loss on Holding)	(1.10)	2.18	2.83	(2.06)	0.51	0.00		
Total	(1.10)	2.18	2.83	(2.06)	0.51	0.00		

Note-:



- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

# ${\bf NOTE-20}$ RESTATED STANDALONE STATEMENT OF REVENUE FROM OPERATIONS

(Amount in Lakhs)

Particulars	For the Ten Months period Ended		Fo	r the Year end	led	
	31/1/2018	31/3/2017	31/3/2016	31/3/2015	31/3/2014	31/3/2013
Revenue from Operations	48741.10	44258.22	38183.40	34579.21	31824.20	23093.37
Less: Excise Duty	(6590.57)	(3466.09)	(3361.51)	(3491.03)	(3057.28)	(2252.98)
Total	42150.53	40792.13	34821.89	31088.18	28766.92	20840.39

### Note:-

- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

## NOTE – 21 RESTATED STANDALONE STATEMENT OF OTHER INCOMES

(Amount in Lakhs)

Particulars	For the Ten Months period Ended		For	the Year en	ded	
	31/1/2018	31/3/2017	31/3/2016	31/3/2015	31/3/2014	31/3/2013
Interest on Fixed Deposits	204.90	233.98	209.70	153.43	129.04	112.75
Interest received from Customers	45.56	53.62	209.81	147.38	188.43	117.78
Export Incentive	0.00	0.00	0.00	0.00	0.00	3.97
Misc. Incomes	0.39	27.26	0.00	0.00	0.00	0.00
Total	250.84	314.86	419.51	300.81	317.47	234.49

### Notes:

- 1. The classification of other income as recurring/not-recurring, related/not-related to business activity is based on the current operations and business activity of the Company as determined by the management.
- 2. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 3. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

NOTE – 22 RESTATED STANDALONE STATEMENT OF MATERIAL CONSUMED

Particulars	For the Ten Months period Ended		For	the year ende	d on	
	31/1/2018	31/3/2017	31/3/2016	31/3/2015	31/3/2014	31/3/2013
Opening Stock	2003.89	2133.02	2580.29	2642.97	2067.00	655.42
Purchase of Materials	36906.49	32691.15	27657.73	27876.40	25042.73	18945.38



Sub Total	38910.37	34824.17	30238.02	30519.37	27109.73	19600.80
Less: Closing stock	2247.16	2003.89	2133.02	2580.29	2642.97	2067.00
Total	36663.21	32820.28	28105.00	27939.08	24466.75	17533.80

- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

NOTE – 23 RESTATED STANDALONE STATEMENT OF MANUFACTURING AND OTHER OPERATIONAL EXPENSES

(Amount in Lakhs)

Particulars	For the Ten Months period Ended		For	the year en	ded	
	31/1/2018	31/3/2017	31/3/2016	31/3/2015	31/3/2014	31/3/2013
Job Charges	853.82	1018.24	1287.18	882.09	784.48	698.21
Carriage Inwards	0.00	0.00	0.00	0.00	79.72	73.11
Packing Materials Consumed	487.17	774.55	809.03	743.81	600.40	433.00
Stores and Spares	113.68	147.88	92.61	82.92	110.39	84.61
Cleaning and Forwarding Expenses	0.00	0.00	0.00	0.00	0.00	2.76
Hire Charges	14.68	19.31	29.22	12.97	24.31	21.46
Differential Excise Duty on Finished Goods	(26.37)	0.72	(40.62)	42.99	2.39	7.81
Power and Fuel	168.05	196.46	200.52	188.79	102.69	82.18
Testing, Calibration and Inspection Charges	10.84	9.10	19.01	2.62	3.80	5.74
Security Charges	47.44	41.56	23.36	7.64	7.91	5.10
Repairs to Machinery	14.56	24.59	7.68	6.01	18.51	14.11
Repairs to Factory	3.17	7.80	0.15	0.76	7.79	0.52
Repairs to Others	16.38	24.86	23.58	13.23	12.20	6.91
Rent	11.32	13.57	13.82	13.63	23.44	23.44
Total	1714.74	2278.63	2465.53	1997.46	1778.03	1458.96

### Notes:

- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

 ${\bf NOTE-24}$  RESTATED STANDALONE STATEMENT OF CHANGE IN INVENTORIES OF FINISHED GOODS, WIP AND SCRAP

Particulars	For the Ten Months period Ended		Fo	r the year en	ded	
	31/1/2018	31/3/2017	31/3/2016	31/3/2015	31/3/2014	31/3/2013
Inventory at the end of the Year	4153.77	2473.83	2669.48	2482.67	475.20	489.78
Inventory at the beginning of year	2473.83	2669.48	2482.67	475.20	489.78	359.82
Increase/decrease in inventory	(1679.94)	195.65	(186.81)	(2007.47)	14.58	(129.96)



- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

 ${\bf NOTE-25}$  RESTATED STANDALONE STATEMENT OF EMPLOYEE BENEFIT EXPENSES

(Amount in Lakhs)

Particulars	For the Ten Months period Ended			the year end		
	31/1/2018	31/3/2017	31/3/2016	31/3/2015	31/3/2014	31/3/2013
Salaries and Wages	688.13	456.13	276.67	158.22	123.75	87.09
Managerial Remuneration	150.00	60.00	39.00	30.00	30.00	27.00
Contribution to PF and other funds	20.92	13.72	9.88	6.54	4.68	3.71
Gratuity	8.04	6.31	7.05	5.96	3.70	1.31
Staff Welfare Expenses	131.54	138.22	146.43	70.42	90.28	60.39
Total	998.63	674.39	479.02	271.14	252.41	179.49

#### Notes:

- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

NOTE – 26
RESTATED STANDALONE STATEMENT OF FINANCE COSTS

(Amount in Lakhs)

(Amount in Lakhs)

Particulars	For the Ten Months period Ended		Fo	r the year end	led	
	31/1/2018	31/3/2017	31/3/2016	31/3/2015	31/3/2014	31/3/2013
Interest Expenses	2011.63	2109.87	2316.87	1781.81	1393.71	904.79
Finance Charges	568.52	429.60	368.42	311.28	215.07	363.95
Total	2580.15	2539.46	2685.29	2093.09	1608.78	1268.74

### Notes:

- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

 ${\bf NOTE-27}$  RESTATED STANDALONE STATEMENT OF DEPRECIATION AND AMORTIZATION EXPENSES

Particulars	For the Ten Months period Ended		For	r the year end	led	
	31/1/2018	31/3/2017	31/3/2016	31/3/2015	31/3/2014	31/3/2013
Depreciation	176.98	193.28	208.01	146.32	90.99	79.35
Amortization on Intangible Assets	0.75	0.90	2.13	1.63	1.63	1.63



Total   177.73   194.18   210.14   147.95   92.62   80.98							
	Total	177.73	194.18	210.14	147.95	92.62	80.98

- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

 $\label{eq:NOTE-28} NOTE-28$  RESTATED STANDALONE STATEMENT OF OTHER EXPENSES

(Amount in Lakhs)

Particulars	For the Ten Months period Ended			r the year end		
	31/1/2018	31/3/2017	31/3/2016	31/3/2015	31/3/2014	31/3/2013
Office Electricity Charges	9.51	10.28	10.15	5.22	4.94	2.17
Legal and Consultancy Charges	51.27	26.50	18.52	18.98	11.43	3.48
Conveyance	43.17	47.35	25.94	9.24	10.55	6.26
Rating Expenses	3.90	2.95	3.30	0.31	3.35	3.11
Travelling Expenses	71.12	69.06	55.04	39.77	26.94	21.69
Office Maintenance	23.60	28.62	8.66	0.96	0.94	2.44
Rent	87.78	66.66	52.68	18.33	19.22	9.50
Postage and Telegram	2.20	2.15	1.85	1.23	1.42	1.17
Telephone and Communication Expenses	25.50	23.60	17.50	9.65	8.37	8.78
Tender Purchase	8.04	21.14	24.16	18.60	0.00	0.00
Registration Expenses	0.42	1.04	0.09	0.12	0.17	0.22
Printing and Stationery	22.06	12.68	18.33	7.09	5.35	5.01
License Fees, Filing fees and rates and Taxes	5.59	8.99	2.53	4.61	2.65	2.28
Service tax	36.60	92.74	20.67	14.50	9.81	6.90
Professional Tax	0.10	0.13	0.13	0.11	0.08	0.03
Advertisement	6.07	7.10	6.77	2.68	2.75	3.34
Subscription and Membership Fees	2.86	4.58	2.58	1.27	1.81	1.76
Donation	6.54	8.24	2.90	1.56	0.00	0.00
Audit fees	3.75	5.25	3.48	3.25	1.85	1.85
Motar car Expenses	66.79	53.57	28.55	9.61	16.64	11.03
Misc Expenses	70.84	94.21	39.16	11.17	27.19	16.03
Insurance Charges	102.06	55.18	9.83	23.23	28.59	25.72
Provision for TDS Defaults	0.28	0.44	0.01	0.03	28.85	0.00
Outward Freight, Delivery and Handling Charges	(189.94)	127.37	109.56	133.81	21.10	25.36
Sales Promotion Expenses including commission	62.92	411.47	32.30	30.66	35.18	55.99
Rebate/ Discount	5.87	8.42	13.28	24.65	12.67	47.02
Works Contract Tax and cess	130.78	127.02	45.69	17.75	15.80	22.86
Sales Tax Assessment	0.29	8.18	40.50	6.23	0.00	5.47
Total	659.95	1324.88	594.18	414.64	297.67	289.47

Notes:

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.



2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

### NOTE - 29 RESTATED STANDALONE STATEMENT OF EXCEPTIONAL ITEMS

(Amount in Lakhs)

Particulars	For the Ten Months period Ended	For the year ended					
	31/1/2018	31/3/2017	31/3/2016	31/3/2015	31/3/2014	31/3/2013	
(Profit)/Loss on sale of fixed assets	(1.93)	(14.76)	(3.45)	(12.79)	0.00	0.36	
Loss/(gain) on change in fair value of Derivatives	(42.85)	124.44	181.67	(58.41)	(0.22)	0.00	
Total	(44.77)	109.68	178.22	(71.19)	(0.22)	0.36	

### Notes:

- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

### NOTE - 30 RESTATED STANDALONE STATEMENT OF RELATED PARTY TRANSACTION

- a) Names of the related parties with whom transaction were carried out during the years and description of relationship:
- 1) Company/entity owned or significantly influenced by directors/ KMP/individuals owning interest in voting power that gives them significant influence over the enterprise or their relatives
  - S. B. Fomra HUF
  - MM Fomra HUF
  - VK Fomra HUF
  - M K Fomra HUF
  - Shreyash Alu. & Alloys P Ltd
  - Radhika Transmission P Ltd
  - Manro Finance and Traders P Ltd
  - Bhavsagar Commodities Pvt Ltd
  - Balgopal Commodeals Pvt Ltd
  - Venkateswar Concrete Pvt Ltd
  - M/s SB Fomra & Co.
- 2) Key Management Personnel's/Directors
  - Shree Ballabh Fomra
  - Madan Mohan Fomra
  - Vijay Kumar Fomra
- 3) Relative of Key Management Personnel's:
  - Manish Kumar Fomra
  - Nikhita Chopra
  - Shanti Prasad Fomra
  - Rajkumari Fomra
  - Radhika Fomra



- Siddharth Fomra
- Jai Shree Gandhi
- Pana Bai Fomra
- Priti Fomra
- Rashmi Fomra
- Shashi Kala Fomra
- Renu Kothari
- Chandra Kanta Lakhotia
- Shree Kishan Rathi
- Amit Mohta
- Mukund Lal Rathi

Sr. No.	Nature of Transaction				As	At	
		31/1/2018	31/3/2017	31/3/2016	31/3/2015	31/3/2014	31/3/2013
1	Shree Ballabh Fomra						
	Opening Balance {Cr./(Dr)}	38.12	29.77	27.98	18.54	20.93	11.44
	Remuneration	50.00	24.00	15.00	12.00	12.00	9.00
	Loan Taken	9.00	22.50	0.00	9.30	8.00	11.89
	Interest on loan	3.68	4.84	3.26	2.65	2.18	1.79
	Loan Repaid	3.93	18.98	1.47	2.51	12.57	4.19
	Amount Repaid/Adjusted	33.32	24.00	15.00	12.00	12.00	9.00
	Closing Balance {Cr./(Dr)}	63.55	38.12	29.77	27.98	18.54	20.93
2	Madan Mohan Fomra						
	Opening Balance {Cr./(Dr)}	7.37	11.13	8.62	0.09	3.50	0.96
	Remuneration	50.00	18.00	12.00	9.00	9.00	9.00
	Loan Taken	17.50	4.38	2.25	65.95	17.80	17.20
	Interest on loan	2.07	1.53	1.22	0.77	0.31	0.46
	Loan Repaid	3.02	9.68	0.96	58.20	21.52	15.12
	Amount Repaid/Adjusted	32.60	18.00	12.00	9.00	9.00	9.00
	Closing Balance {Cr./(Dr)}	41.32	7.37	11.13	8.62	0.09	3.50
3	Vijay Kumar Fomra						
	Opening Balance {Cr./(Dr)}	3.54	6.77	8.20	3.23	4.57	3.78
	Remuneration	50.00	18.00	12.00	9.00	9.00	9.00
	Loan Taken	27.50	0.64	284.00	57.50	8.00	10.50
	Interest on loan	1.76	0.72	0.76	0.84	0.03	0.15
	Loan Repaid	1.68	4.59	286.19	53.37	9.36	9.86
	Amount Repaid/Adjusted	39.64	18.00	12.00	9.00	9.00	9.00
	Closing Balance {Cr./(Dr)}	41.48	3.54	6.77	8.20	3.23	4.57
4	Manish Kumar Fomra						
	Opening Balance {Cr./(Dr)}	0.46	0.00	0.00	7.55	(0.51)	4.91
	Remuneration	36.00	8.40	6.00	6.00	6.00	3.00
	Loan Taken	10.00	0.00	7.00	3.75	22.50	9.45
	Interest on loan	0.07	0.00	0.00	0.41	0.03	0.29
	Loan Repaid	0.00	0.00	7.00	11.71	14.47	15.17
	Loan Given	0.00	0.03	0.03	0.00	0.00	0.00
	Loan repayment received	0.00	0.03	0.03	0.00	0.00	0.00
	Amount Repaid/Adjusted	32.26	7.94	6.00	6.00	6.00	3.00
	Closing Balance {Cr./(Dr)}	14.27	0.46	0.00	0.00	7.55	(0.51)
5	Nikhita Chopra						
	Opening Balance {Cr./(Dr)}	0.00	0.00	0.00	9.59	0.07	2.84
	Remuneration		10.00	4.00			



	T	0.00	0.00	0.00	0.46	17.65	12.05
	Loan Taken	0.00	0.00	0.00	0.46	17.65	12.95
	Interest on loan	0.00	0.00	0.00	0.33	0.05	0.00
	Loan Repaid	0.00	0.00	0.00	10.38	8.19	15.72
	Loan Given	0.00	0.22	0.52	0.00	0.00	0.00
	Loan repayment received	0.00	0.22	0.52	0.00	0.00	0.00
	Amount Repaid/Adjusted		10.00	4.00			
	Closing Balance {Cr./(Dr)}	0.00	0.00	0.00	0.00	9.59	0.07
6	Raj Kumari Fomra						
	Opening Balance {Cr./(Dr)}	0.00	0.00	0.00	4.68	8.65	11.34
	Rent	0.00	0.00	0.00	2.45	4.91	4.91
	Loan Taken	0.00	0.00	0.00	19.66	6.50	26.20
	Interest on loan	0.00	0.00	0.00	0.39	0.65	1.01
	Loan Repaid	0.00	0.00	0.00	24.73	11.12	29.90
	Loan Given	0.00	0.15	0.35	0.00	0.00	0.00
	Loan repayment received	0.00	0.15	0.35	0.00	0.00	0.00
	Amount Repaid/Adjusted	0.00	0.00	0.00	2.45	4.91	4.91
	Closing Balance {Cr./(Dr)}	0.00	0.00	0.00	0.00	4.68	8.65
7	S. B. Fomra HUF	•		-		-	
	Opening Balance {Cr./(Dr)}	0.00	0.00	0.00	14.85	16.73	0.73
	Rent	1.20	1.44	1.44	1.44	1.44	1.44
	Loan Taken	0.00	0.00	0.00	1.50	6.50	17.73
	Interest on loan	0.00	0.00	0.00	1.46	1.59	0.86
	Loan Repaid	0.00	0.00	0.00	17.81	9.97	2.59
	Loan Given	0.00	0.16	0.65	0.00	0.00	0.00
	Loan repayment received	0.00	0.16	0.65	0.00	0.00	0.00
	Amount Repaid/Adjusted	1.08	1.44	1.44	1.44	1.44	1.44
	Closing Balance {Cr./(Dr)}	0.12	0.00	0.00	0.00	14.85	16.73
8	M/s SB Fomra & Co.	0.12	0.00	0.00	0.00	1.100	10.70
0	Opening Balance {Cr./(Dr)}	0.00	0.00	0.00	0.00	0.00	0.00
	Loan Taken	0.00	0.00	0.00	0.00	0.00	3.00
	Loan Repaid	0.00	0.00	0.00	0.00	0.00	3.00
	Loan Given	0.00	0.03	1.04	0.00	0.00	0.00
	Loan repayment received	0.01	0.03	1.04	0.01	0.00	0.00
	Closing Balance {Cr./(Dr)}	0.01	0.00	0.00	0.01	0.00	0.00
_		0.00	0.00	0.00	0.00	0.00	0.00
9	M K Fomra HUF	0.00	0.00	0.00	2.00	22.07	0.52
	Opening Balance {Cr./(Dr)}	0.00	0.00	0.00	3.08	22.87	0.53
<u> </u>	Loan Taken	0.00	0.00	0.00	6.86	23.50	34.95
	Interest on loan	0.00	0.00	0.00	0.27	1.21	2.18
	Loan Repaid	0.00	0.00	0.00	10.21	44.50	14.79
	Loan Given	0.00	0.20	0.65	0.00	0.00	0.00
	Loan repayment received	0.00	0.20	0.65	0.00	0.00	0.00
	Closing Balance {Cr./(Dr)}	0.00	0.00	0.00	0.00	3.08	22.87
10	MM Fomra HUF	1		I a	·	I	
	Opening Balance {Cr./(Dr)}	0.00	0.00	0.00	60.71	48.08	0.16
	Loan Taken	0.00	0.00	0.00	24.00	94.87	73.40
	Interest on loan	0.00	0.00	0.00	7.64	7.52	4.34
	Loan Repaid	0.00	0.00	0.00	92.35	89.76	29.83
	Loan Given	0.00	4.50	0.65	0.00	0.00	0.00
	Loan repayment received	0.00	4.50	0.65	0.00	0.00	0.00
	Closing Balance {Cr./(Dr)}	0.00	0.00	0.00	0.00	60.71	48.08
11	VK Fomra HUF			<u> </u>			
1	Opening Balance {Cr./(Dr)}	0.00	0.00	0.00	57.15	49.60	8.59



	T =	1					
	Loan Taken	0.00	0.00	0.00	10.00	71.25	63.05
	Interest on loan	0.00	0.00	0.00	4.98	7.05	3.98
	Loan Repaid	0.00	0.00	0.00	72.13	70.75	26.02
	Loan Given	0.00	0.20	0.65	0.00	0.00	0.00
	Loan repayment received	0.00	0.20	0.65	0.00	0.00	0.00
	Closing Balance {Cr./(Dr)}	0.00	0.00	0.00	0.00	57.15	49.60
12	Shanti Prasad Fomra						
	Opening Balance {Cr./(Dr)}	0.00	0.00	0.00	18.62	35.65	25.70
	Loan Taken	0.00	0.00	0.00	10.05	8.00	8.00
	Interest on loan	0.00	0.00	0.00	1.24	2.45	3.91
	Loan Repaid	0.00	0.00	0.00	29.90	27.48	1.97
	Loan Given	0.00	0.15	0.31	0.00	0.00	0.00
	Loan repayment received	0.00	0.15	0.31	0.00	0.00	0.00
	Closing Balance {Cr./(Dr)}	0.00	0.00	0.00	0.00	18.62	35.65
13	Shreyash Aluminium & Alloys (	P) Ltd					
	Opening Balance {Cr./(Dr)}	1834.74	1614.65	448.62	1178.88	1346.05	935.79
	Job Work Charges (Gross)	689.62	867.66	963.34	776.08	525.21	529.68
	Raw Material Purchased	3790.64	2513.32	3093.25	639.81	2113.43	1321.81
	Loan Taken	891.80	2247.59	1888.63	1706.67	3425.90	1896.10
	Sales	34.66	607.59	95.72	69.35	295.92	250.96
	Amount Repaid/Adjusted	4328.03	4800.89	4683.47	3783.48	5935.79	3086.37
	Closing Balance {Cr./(Dr)}	2844.11	1834.74	1614.65	448.62	1178.88	1346.05
14	Radhika Fomra	2011.11	1031.71	1011.05	110.02	1170.00	13 10.03
14	Opening Balance {Cr./(Dr)}	0.22	0.00	0.00	14.28	16.91	6.00
	Remuneration	8.00	9.60	6.00	3.00	10.91	0.00
	Loan Taken	0.00	0.00	0.00	5.00	18.90	13.50
	Interest on loan	0.00	0.00	0.00	1.38	1.38	0.94
	Loan Repaid	0.00	0.00	0.00	20.65	22.92	3.53
	Loan Given	0.00	0.00	0.46	0.00	0.00	0.00
	Loan repayment received	0.00	0.15	0.46	0.00	0.00	0.00
	Amount Repaid/Adjusted	5.94	9.38	6.00	3.00	0.00	0.00
	Closing Balance {Cr./(Dr)}	2.28	0.22	0.00	0.00	14.28	16.91
1.5	. , , , ,	2.20	0.22	0.00	0.00	14.20	10.91
15	Radhika Transmission Pvt Ltd	227.50	20.00	22.25	(1.4.4.07)	(05.4.07)	121.60
	Opening Balance {Cr./(Dr)}	237.59	29.98	23.25	(144.97)	(254.27)	121.60
	Job Work Charges (Gross)	270.49	146.13	159.51	122.96	225.69	134.91
	Raw Material Purchased	539.15	368.95	130.37	31.67	254.27	72.16
	Loan Taken	92.55	269.20	348.38	352.96	1081.46	911.39
	Factory Rent	9.68	9.68	0.00	0.00	0.00	0.00
	Sales	34.66	607.59	95.72	15.20	199.97	197.41
	Loan repayment received	0.00	0.00	0.00	151.21	0.00	0.00
	Amount Repaid/Adjusted	930.46	(21.25)	535.81	475.38	1252.15	1296.92
	Closing Balance {Cr./(Dr)}	184.33	237.59	29.98	23.25	(144.97)	(254.27)
16	Siddharth Fomra	1					
	Opening Balance {Cr./(Dr)}	0.00	0.00	0.00	4.07	0.00	0.00
	Loan Taken	0.00	0.00	0.63	0.00	9.85	0.00
	Interest on loan	0.00	0.00	0.00	0.28	0.05	0.00
	Loan Repaid	0.00	0.00	0.63	4.35	5.84	0.00
	Loan Given	0.00	0.15	0.23	0.00	0.00	0.00
	Loan repayment received	0.00	0.15	0.23	0.00	0.00	0.00
	Closing Balance {Cr./(Dr)}	0.00	0.00	0.00	0.00	4.07	0.00
17	Jay Shree Gandhi						
	Opening Balance {Cr./(Dr)}	0.00	0.00	0.00	4.80	4.80	4.80



	Interest on loan	0.00	0.00	0.00	0.48	0.72	0.72
	Loan Repaid	0.00	0.00	0.00	5.28	0.72	0.72
	Closing Balance {Cr./(Dr)}	0.00	0.00	0.00	0.00	4.80	4.80
18	Pana Bai Fomra	0.00	0.00	0.00	0.00	1.00	
10	Opening Balance {Cr./(Dr)}	0.00	0.00	0.00	4.10	4.16	5.43
	Loan Taken	0.00	0.00	0.00	0.00	6.00	1.00
	Interest on loan	0.00	0.00	0.00	0.00	0.25	0.70
	Loan Repaid	0.00	0.00	0.00	4.10	6.31	2.97
	Closing Balance {Cr./(Dr)}	0.00	0.00	0.00	0.00	4.10	4.16
19	Priti Fomra	0.00	0.00	0.00	0.00		1110
1)	Opening Balance {Cr./(Dr)}	0.00	0.00	0.00	10.93	14.60	1.43
	Lease Rent	0.00	0.00	0.00	2.45	4.91	4.91
	Loan Taken	0.00	0.00	0.00	19.66	41.50	29.85
	Interest on loan	0.00	0.00	0.00	1.02	1.33	2.02
	Loan Repaid	0.00	0.00	0.00	31.61	46.50	18.71
	Loan Given	0.00	0.16	0.35	0.00	0.00	0.00
	Loan repayment received	0.00	0.16	0.35	0.00	0.00	0.00
	Amount Repaid/Adjusted	0.00	0.00	0.00	2.45	4.91	4.91
	Closing Balance {Cr./(Dr)}	0.00	0.00	0.00	0.00	10.93	14.60
20	Rashmi Fomra	<u> </u>					
	Opening Balance {Cr./(Dr)}	0.00	0.00	0.00	31.09	19.84	0.47
	Lease Rent	0.00	0.00	0.00	2.45	4.91	4.91
	Loan Taken	0.00	0.00	0.00	26.66	37.00	30.70
	Interest on loan	0.00	0.00	0.00	3.08	3.55	2.62
	Loan Repaid	0.00	0.00	0.00	60.83	29.29	13.94
	Loan Given	0.00	0.16	0.77	0.00	0.00	0.00
	Loan repayment received	0.00	0.16	0.77	0.00	0.00	0.00
	Amount Repaid/Adjusted	0.00	0.00	0.00	2.45	4.91	4.91
	Closing Balance {Cr./(Dr)}	0.00	0.00	0.00	0.00	31.09	19.84
21	Shashi Kala Fomra			<b>!</b>		<b>!</b>	
	Opening Balance {Cr./(Dr)}	0.00	0.00	0.00	18.00	25.39	2.63
	Lease Rent	0.00	0.00	0.00	2.45	4.91	4.91
	Loan Taken	0.00	0.00	0.00	19.66	30.75	30.50
	Interest on loan	0.00	0.00	0.00	1.65	3.46	2.34
	Loan Repaid	0.00	0.00	0.00	39.31	41.60	10.08
	Loan Given	0.00	0.16	0.35	0.00	0.00	0.00
	Loan repayment received	0.00	0.16	0.35	0.00	0.00	0.00
	Amount Repaid/Adjusted	0.00	0.00	0.00	2.45	4.91	4.91
	Closing Balance {Cr./(Dr)}	0.00	0.00	0.00	0.00	18.00	25.39
22	Renu Kothari						
	Opening Balance {Cr./(Dr)}	0.00	0.00	0.00	31.35	20.85	11.50
	Lease Rent	0.00	0.00	0.00	0.00	0.00	0.00
	Loan Taken	0.00	0.00	0.00	7.50	10.50	9.35
	Interest on loan	0.00	0.00	0.00	3.77	2.96	2.65
	Loan Repaid	0.00	0.00	0.00	42.62	2.96	2.65
	Closing Balance {Cr./(Dr)}	0.00	0.00	0.00	0.00	31.35	20.85
23	Chandra Kanta Lakhotia						
	Opening Balance {Cr./(Dr)}	0.00	0.00	0.00	10.59	9.73	8.86
	Interest on loan	0.00	0.00	0.00	0.80	0.96	0.96
	Loan Repaid	0.00	0.00	0.00	11.39	0.10	0.10
	Closing Balance {Cr./(Dr)}	0.00	0.00	0.00	0.00	10.59	9.73
24	Shree Kishan Rathi			-		<del></del>	



	Opening Balance {Cr./(Dr)}	0.00	0.00	0.00	0.00	0.00	2.70
	Loan Taken	0.00	0.00	0.00	0.00	0.00	3.60
	Loan Repaid	0.00	0.00	0.00	0.00	0.00	6.30
	Closing Balance {Cr./(Dr)}	0.00	0.00	0.00	0.00	0.00	0.00
25	Amit Mohta						
	Opening Balance {Cr./(Dr)}	0.00	0.00	0.01	0.01	0.01	0.01
	Loan Repaid	0.00	0.00	0.01	0.00	0.00	0.00
	Closing Balance {Cr./(Dr)}	0.00	0.00	0.00	0.01	0.01	0.01
26	Mukund Lal Rathi						
	Opening Balance {Cr./(Dr)}	0.00	0.00	0.00	1.51	1.41	1.27
	Interest on loan	0.00	0.00	0.00	0.10	0.12	0.15
	Loan Repaid	0.00	0.00	0.00	1.61	0.01	0.02
	Closing Balance {Cr./(Dr)}	0.00	0.00	0.00	0.00	1.51	1.41
27	Venkateswar Concrete Pvt Ltd						
	Opening Balance {Cr./(Dr)}	(12.54)	0.00	0.00	0.00	0.00	0.00
	Sales	0.00	2.84	0.00	0.00	0.00	0.00
	Loan Taken	65.00	0.00	0.00	0.00	0.00	0.00
	Loan Repaid	43.26	0.00	0.00	0.00	0.00	0.00
	Loan Given	0.00	9.70	0.00	0.00	0.00	0.00
	Closing Balance {Cr./(Dr)}	9.20	(12.54)	0.00	0.00	0.00	0.00
28	Manro Finance & Traders Pvt I	_td	•				
	Opening Balance {Cr./(Dr)}	421.75	293.44	341.10	130.48	142.84	156.09
	Loan Taken	1318.15	1296.55	1273.25	3247.59	1353.30	495.40
		<b>=</b> 0.44	65.85	59.43	31.35	0.03	25.01
	Interest on loan	50.44	05.85	37.43	31.33	0.03	25.81
	Interest on loan Loan Repaid	50.44 1821.92	1234.09	1380.34	3068.32	1365.70	534.45
29	Loan Repaid	1821.92 (31.58)	1234.09	1380.34	3068.32	1365.70	534.45
29	Loan Repaid Closing Balance {Cr./(Dr)}	1821.92 (31.58)	1234.09	1380.34	3068.32	1365.70	534.45
29	Loan Repaid Closing Balance {Cr./(Dr)} Bhavsagar Commodities Pvt Ltd	1821.92 (31.58)	1234.09 421.75	1380.34 293.44	3068.32 341.10	1365.70 130.48	534.45 142.84
29	Loan Repaid Closing Balance {Cr./(Dr)}  Bhavsagar Commodities Pvt Ltc Opening Balance {Cr./(Dr)}	1821.92 (31.58) 1 10.34	1234.09 421.75 141.69	1380.34 293.44 39.66	3068.32 341.10 0.14	1365.70 130.48	534.45 142.84 11.61
29	Loan Repaid Closing Balance {Cr./(Dr)}  Bhavsagar Commodities Pvt Ltd Opening Balance {Cr./(Dr)}  Loan Taken Interest on loan Loan Repaid	1821.92 (31.58) 1 10.34 0.00	1234.09 421.75 141.69 150.00	1380.34 293.44 39.66 200.00	3068.32 341.10 0.14 50.00	1365.70 130.48 12.75 2.50	534.45 142.84 11.61 0.00
29	Loan Repaid Closing Balance {Cr./(Dr)}  Bhavsagar Commodities Pvt Ltc Opening Balance {Cr./(Dr)}  Loan Taken Interest on loan	1821.92 (31.58) 1 10.34 0.00 0.59	1234.09 421.75 141.69 150.00 2.66	39.66 200.00 24.32	3068.32 341.10 0.14 50.00 3.35	1365.70 130.48 12.75 2.50 0.63	534.45 142.84 11.61 0.00 1.26
29	Loan Repaid Closing Balance {Cr./(Dr)}  Bhavsagar Commodities Pvt Ltd Opening Balance {Cr./(Dr)}  Loan Taken Interest on loan Loan Repaid	1821.92 (31.58) 1 10.34 0.00 0.59 5.28	1234.09 421.75 141.69 150.00 2.66 284.01	39.66 200.00 24.32 122.28	3068.32 341.10 0.14 50.00 3.35 13.84	1365.70 130.48 12.75 2.50 0.63 15.74	534.45 142.84 11.61 0.00 1.26 0.13
	Loan Repaid Closing Balance {Cr./(Dr)}  Bhavsagar Commodities Pvt Ltc Opening Balance {Cr./(Dr)}  Loan Taken Interest on loan Loan Repaid Closing Balance {Cr./(Dr)}	1821.92 (31.58) 1 10.34 0.00 0.59 5.28	1234.09 421.75 141.69 150.00 2.66 284.01	39.66 200.00 24.32 122.28	3068.32 341.10 0.14 50.00 3.35 13.84	1365.70 130.48 12.75 2.50 0.63 15.74	534.45 142.84 11.61 0.00 1.26 0.13
	Loan Repaid Closing Balance {Cr./(Dr)}  Bhavsagar Commodities Pvt Ltc Opening Balance {Cr./(Dr)} Loan Taken Interest on loan Loan Repaid Closing Balance {Cr./(Dr)}  Balgopal Commodeal Pvt Ltd	1821.92 (31.58) 1 10.34 0.00 0.59 5.28 5.65	1234.09 421.75 141.69 150.00 2.66 284.01 10.34 30.35 0.00	39.66 200.00 24.32 122.28 141.69 35.35 0.00	3068.32 341.10 0.14 50.00 3.35 13.84 39.66 0.00 42.00	1365.70 130.48 12.75 2.50 0.63 15.74 0.14 0.00	534.45 142.84 11.61 0.00 1.26 0.13 12.75 0.00 0.00
	Loan Repaid Closing Balance {Cr./(Dr)}  Bhavsagar Commodities Pvt Ltc Opening Balance {Cr./(Dr)} Loan Taken Interest on loan Loan Repaid Closing Balance {Cr./(Dr)}  Balgopal Commodeal Pvt Ltd Opening Balance {Cr./(Dr)}	1821.92 (31.58) 1 10.34 0.00 0.59 5.28 5.65	1234.09 421.75 141.69 150.00 2.66 284.01 10.34 30.35 0.00 3.35	39.66 200.00 24.32 122.28 141.69	3068.32 341.10 0.14 50.00 3.35 13.84 39.66	1365.70 130.48 12.75 2.50 0.63 15.74 0.14	534.45 142.84 11.61 0.00 1.26 0.13 12.75
	Loan Repaid Closing Balance {Cr./(Dr)}  Bhavsagar Commodities Pvt Ltd Opening Balance {Cr./(Dr)}  Loan Taken Interest on loan  Loan Repaid Closing Balance {Cr./(Dr)}  Balgopal Commodeal Pvt Ltd Opening Balance {Cr./(Dr)}  Loan Taken	1821.92 (31.58) 1 10.34 0.00 0.59 5.28 5.65	1234.09 421.75 141.69 150.00 2.66 284.01 10.34 30.35 0.00	39.66 200.00 24.32 122.28 141.69 35.35 0.00	3068.32 341.10 0.14 50.00 3.35 13.84 39.66 0.00 42.00	1365.70 130.48 12.75 2.50 0.63 15.74 0.14 0.00	534.45 142.84 11.61 0.00 1.26 0.13 12.75 0.00 0.00

<sup>1.</sup> The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

NOTE - 31
RESTATED STANDALONE RESTATED STATEMENT OF CONTINGENT LIABILITIES AND COMMITMENTS

<sup>2.</sup> The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III

<sup>3.</sup> List Company/entity owned or significantly influenced by directors/ KMP, Key Management Personnel's, and Relative of Key Management Personnel's have been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.



(Amount in Lakhs)

Particulars			As	At		
Particulars	31/1/2018	31/3/2017	31/3/2016	31/3/2015	31/3/2014	31/3/2013
Contingent Liabilities						
(a) Claims against the company not acknowledged as debt;				0.00	0.00	0.00
(b) Guarantees/Letters of Credits excluding financial guarantees;	20136.14	17445.90	10535.03	6579.18	4096.62	2868.00
(c) Letters of Credits issued in favour of Suppliers;	3941.56	3014.96	2785.08	2680.21	1462.99	1566.00
(d) Matters pending before tax appellate authorities;	1945.45	1236.91	877.57	877.57	28.01	28.01
(e) Corporate Guarantees given by the Company;	795.00	795.00				
(f) Other money for which the company is contingently liable				0.00	0.00	0.00
Commitments						
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for				0.00	0.00	0.00
(b) Uncalled liability on shares and other investments partly paid				0.00	0.00	0.00
(c) Other commitments				0.00	0.00	0.00
Total	26818.15	22492.77	14197.68	10136.95	5587.62	4462.02

#### Notes:

- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

NOTE-32 RESTATED STANDALONE STATEMENT OF MANDATORY ACCOUNTING RATIOS

Particulars						
	31/1/2018	31/3/2017	31/3/2016	31/3/2015	31/3/2014	31/3/2013
Net Worth	6345.09	5212.41	4263.20	3805.52	3175.27	2116.88
Less: Revaluation reserves(if any)	0	0.00	0.00	0.00	0.00	0.00
Net Worth (A)	6345.09	5212.41	4263.20	3805.52	3175.27	2116.88
Restated Profit after tax	897.68	649.22	457.67	383.75	385.39	262.73
Adjusted Profit after Tax available for equity share holders (B)	897.68	649.22	457.67	383.75	385.39	262.73
Number of Equity Share Outstanding	42.66	40.31	37.31	37.31	34.81	26.40
Weighted average no of Equity shares at the time of end of the year (D)	150.17	144.35	144.34	141.82	133.34	133.32
Current Assets (E)	36133.02	28395.49	22815.85	20446.70	16374.86	13951.67
Current Liabilities (F)	31854.63	24499.56	19967.56	17016.45	13078.32	11350.80
Face Value per Share (in Rs.)	10.00	10.00	10.00	10.00	10.00	10.00
Restated Basic and Diluted Earnings						
Per Share (Rs.) (B/D)	5.98	4.50	3.17	2.71	2.89	1.97
Refer Note 1 given below						
Return on Net worth (%) (B/A)	14.15	12.46	10.74	10.08	12.14	12.41
Net asset value per share (A/C)	148.74	129.31	114.27	102.00	91.22	80.20



Adjusted Net asset value per share based on Weighted average number of share (A/D)	42.25	36.11	29.54	26.83	23.81	15.88
Current Ratio (E/F)	1.13	1.16	1.14	1.20	1.25	1.23

#### Note:-

- 1) The ratios have been computed as below:
- (a) The Company has issued bonus shares in the ratio of 5:2 on 07.04.2018 against 42,65,870 equity shares resulting into 1,06,64,675 equity shares of Rs. 10/- each.
- (b) Diluted earnings per share (Rs.) -: Net profit after tax as restated for calculating diluted EPS / Weighted average number of equity shares outstanding at the end of the period or year for diluted EPS
- (c) Return on net worth (%) -: Net profit after tax (as restated) / Net worth at the end of the period or year
- (d) Net assets value per share -: Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year
- 2) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted by the number of equity shares issued during period/year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/year.
- 3) Net worth for ratios mentioned in note 1(c) and 1(d) is = Equity share capital + Reserves and surplus (including, Securities Premium, General Reserve and surplus in statement of profit and loss).
- 4) The figures disclosed above are based on the standalone restated summary statements of the Group.
- 5) The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III."

NOTE-33
RESTATED STANDALONE STATEMENT OF TAX SHELTER

Doutionlong			As	At		
Particulars	31/1/2018	31/3/2017	31/3/2016	31/3/2015	31/3/2014	31/3/2013
Profit Before Tax as Restated	1331.66	969.83	710.80	604.29	573.77	393.03
Notional Tax Rates	34.61%	34.61%	34.61%	33.99%	33.99%	30.90%
Tax at Notional Rate (A)	460.86	335.64	246.00	205.40	195.02	121.45
Adjustments:						
Permanent Differences (B)						
Interest on Income Tax - Disallowed	1.37	2.84	0.51	1.01	0.01	2.28
ESI-PF Delay Payments		3.91	3.28			1.18
Interest on Delay Payments of TDS		1.72	1.60	5.79	0.65	
Provision for TDS Defaults	0.28	0.44	0.01	0.03	28.85	0.00
Donations	3.27					
Other Disallowed Expenses	0.00	4.12	2.71	9.49		
Total (B)	4.92	13.04	8.12	16.32	29.52	3.46
Temporary Differences (C)						
Difference between Tax Depreciation and Book Depreciation	36.38	32.72	37.08	1.78	(26.72)	5.56
Gratuity Provisions	8.04	6.31	6.67	5.61	3.11	1.31
Profit Loss on Sale of Fixed Assets	(1.93)	(14.76)	(3.45)	(12.79)	0.00	0.36
Other Adjustments						
Total (C)	42.49	24.27	40.31	(5.40)	(23.61)	7.23
Net Adjustments (B+C)	47.40	37.31	48.42	10.92	5.91	10.68



Tax Liability/(Tax Saving) thereon	16.41	12.91	16.76	3.71	2.01	3.30
Current Tax Provision as per Restated Financials	477.27	348.55	262.75	209.11	197.03	124.75
Taxation on Extraordinary Items	0.00	0.00	0.00	0.00	0.00	0.00
Tax on Profits before Extraordinary Items	477.27	348.55	262.75	209.11	197.03	124.75

- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

## NOTE-34 RESTATED STANDALONE STATEMENT OF CAPITALISATION

(Amount in Lakhs)

Doutloulous	Pre-Issue	Post-Issue*	
Particulars	31/01/2018		
Debt			
Short Term Debt	11252.90	XXXX	
Long Term Debt	430.29	XXXX	
Total Debt	11683.19	XXXX	
Shareholders' Fund (Equity)		XXXX	
Share Capital	426.59	XXXX	
Reserves & Surplus	5918.51	XXXX	
Less: Miscellaneous Expenses not w/off	0.00	XXXX	
Total Shareholders' Fund (Equity)	6345.09	XXXX	
Long Term Debt/Equity	0.07	XXXX	
Total Debt/Equity	1.84	XXXX	

<sup>\*</sup>The corresponding post issue figures are not determinable at this stage pending the completion of public issue and hence have not been furnished.

### Notes:

- 1. Short term Debts represent which are expected to be paid/payable within 12 months.
- 2. Long term Debts represent debts other than Short term Debts as defined above.
- 3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 31.01.2018.



### RESTATED CONSOLIDATED FINANCIAL STATEMENT

Independent Auditors' Report
(As required by Section 26 of Companies Act, 2013 read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014)

To,

The Board of Directors, Cabcon India Limited 4 A Pollock Street, Kolkata

### Dear Sirs,

- (13) We have examined the attached Restated Consolidated Financial Information of **Cabcon India Limited** (the "Company") which comprise of the Restated Consolidated Summary Statement of Assets and Liabilities as at 31 January, 2018 and 31 March 2017, the Restated Consolidated Summary Statement of Profit and Loss and the Restated Consolidated Summary Statement of Cash Flows for the ten months period ended 31 January, 2018 and for the year ended 31 March 2017, the Summary Consolidated Statement of Significant Accounting Policies, read together with the annexures and notes thereto and Other Restated Consolidated Financial Information explained in paragraph 8 below, for the purpose of inclusion in the offer document prepared by the Company in connection with its proposed initial public offer (the "IPO") Emerge Platform of National Stock Exchange.
- (14) The Restated Consolidated Financial Information has been approved by the Board of Directors of the Company and is prepared in terms of the requirements of:
  - (c) Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act") read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended ("the Rules"); and
  - (d) the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time in pursuance of provisions of Securities and Exchange Board of India Act, 1992 ("ICDR Regulations").
- (15) The preparation of the restated Consolidated Financial Information is the responsibility of the Management of the Company for the purpose set out in paragraph 12 below. The Management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Management is also responsible for identifying and ensuring that the Company complies with the Act, the Rules and ICDR Regulations.
- (16) We have examined such Restated Consolidated Financial Information after taking into consideration:
  - (a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 26.05.2018 in connection with the IPO; and
  - (b) The Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by the Institute of Chartered Accountants of India ('ICAI'), ("The Guidance Note").
- (17) The Restated Consolidated Financial Information has been compiled by the Management from the audited Consolidated Financial Statements of the Company as at 31 January, 2018 and 31 March 2017and for the ten months period ended 31 January, 2018 and for the year ended 31 March 2017 prepared in accordance with accounting principles generally accepted in India at the relevant time and which have been approved by the Board of Directors on 07 May, 2018 and31 August, 2017 respectively.
- (18) For the purpose of our examination, we have relied upon the Auditor's Report issued by following auditors:



- (19) M/s SRB & Associates, Chartered Accountants, Koltaka on the Consolidated financial statements of the Company as on 31<sup>st</sup>January, 2018 and for the ten months' period ended on 31 January, 2018 and by M/s Jai Pandya &Associates, Chartered Accountants, Kolkata on the Consolidated financial statements of the Company as on 31 March 2017 and for the financial year ended 31 March 2017. We have examined books of account underlying those audited consolidated financial statements and other records of the Company, to the extent considered necessary by us, for the presentation of the Restated Consolidated Financial Information under the requirements of Schedule III of the Act.
- (20) In accordance with the requirements of Section 26 of Part I of Chapter III of the Act, read with Rules 4 to 6 of the Rules, the ICDR Regulations and the Guidance Note read together with paragraph 6 above (including reliance placed on the report of the statutory auditor as referred to in paragraph 6 above), we report that:
  - (e) The **Restated Consolidated Summary Statement of Assets and Liabilities** of the Company, as at 31 January, 2018 and 31 March 2017 examined by us as set out in **Annexure I** to the Restated Consolidated Financial Information, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in **Annexure IV** Statement of Restatement Adjustments to Audited Consolidated Financial Statements and Notes to Statement of Restatement Adjustments to Audited Consolidated Financial Statements. As a result of these adjustments, the amounts reported in the statement mentioned above are not necessarily the same as those appearing in the audited Consolidated Financial Statements of the Company as at and for each of the relevant financial years.
  - (f) The Restated Consolidated Summary Statement of Profit and Loss of the Company, for the ten months period ending on 31 January, 2018 and for the year ended 31 March 2017 examined by us as set out in Annexure II to the Restated Consolidated Financial Information, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure IV Statement of Restatement Adjustments to Audited Consolidated Financial Statements and Notes to Statement of Restatement Adjustments to Audited Consolidated Financial Statements. As a result of these adjustments, the amounts reported in the statement mentioned above are not necessarily the same as those appearing in the audited Consolidated Financial Statements of the Company as at and for each of the relevant financial years.
  - (g) The Restated Consolidated Summary Statement of Cash Flows of the Company for the ten months period ending on 31<sup>st</sup>January, 2018 and for the year ended 31 March 2017 examined by us as set out in **Annexure III** to the restated Consolidated Financial Information, have been arrived at after making adjustments and regroupings/reclassifications as in our opinion were appropriate and more fully described in **Annexure IV** Statement of Restatement Adjustments to Audited Consolidated Financial Statements and Notes to Statement of Restatement Adjustments to Audited Consolidated Financial Statements. As a result of these adjustments, the amounts reported in the statement mentioned above are not necessarily the same as those appearing in the audited Consolidated Financial Statements of the Company as at and for each of the relevant financial years.
  - (h) Based on the above and according to the information and explanations given to us, and also as per the reliance placed on the report of the statutory auditor as referred to in Para 6 above, we further report that:
    - (i) As explained in **Annexure IV** to the Restated Consolidated Financial Information, the Restated Consolidated Financial Information has been prepared after incorporating adjustments for the changes in accounting policies and estimates retrospectively inrespective financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting periods;
    - (ii) As explained in **Annexure IV** to the Restated Consolidated Financial Information, the Restated Consolidated Financial Information has been made after incorporating adjustments for the material amounts in the respective financial years to which they relate;



- (iii) The Restated Consolidated Financial Information does not contain any extra-ordinary items that need to be disclosed separately other than those disclosed already and do not contain any qualification requiring adjustments.
- (21) We have also examined the following Other Restated Consolidated Financial Information of the Company set out in the **notes** prepared by the Management and approved by the Board of Directors on 30<sup>th</sup> May, 2018 for the ten months' period ended 31 January, 2018 and for the year ended on 31 March,2017:

a)	Restated Consolidated Summary Statement of Share Capital	Note – 1
b)	Restated Consolidated Summary Statement of Reserves & Surpluses	Note – 2
c)	Restated Consolidated Summary Statement of Long Term Borrowings	Note – 3
d)	Restated Consolidated Summary Statement of Principal Terms of Secured Loans	Note $-3(a)$
	and Assets Charged as Security	
e)	Restated Consolidated Summary Statement of Terms & Conditions of Unsecured	Note- 3(b)
	Loans	
f)	Restated Consolidated Summary Statement of Deferred Tax Assets & Liabilities	Note – 4
g)	Restated Consolidated Summary Statement of Other Long-term Provisions	Note – 5
h)	Restated Consolidated Summary Statement of Short Term Borrowings	Note – 6
i)	Restated Consolidated Summary Statement of Trade Payables	Note – 7
j)	Restated Consolidated Summary Statement of Other Current Liabilities	Note – 8
k)	Restated Consolidated Summary Statement of Short Term Provisions	Note – 9
1)	Restated Consolidated Summary Statement of Property, Plant & Equipment	Note – 10
m)	Restated Consolidated Summary Statement of Intangible Assets	Note – 11
n)	Restated Consolidated Summary Statement of Capital Work-in-Progress	Note – 12
o)	Restated Consolidated Summary Statement of Non-Current Investments	Note – 13
p)	Restated Consolidated Summary Statement of Long-term Loans and Advances	Note -14
q)	Restated Consolidated Summary Statement of Inventories	Note – 15
r)	Restated Consolidated Summary Statement of Trade Receivables	Note – 16
s)	Restated Consolidated Summary Statement of Cash & Cash Equivalents	Note – 17
t)	Restated Consolidated Summary Statement of Short-term Loans & Advances	Note – 18
u)	Restated Consolidated Summary Statement of Other Current Assets	Note – 19
v)	Restated Consolidated Summary Statement of Revenue from Operations	Note – 20
w)	Restated Consolidated Summary Statement of Other Incomes	Note – 21
x)	Restated Consolidated Summary Statement of Material Consumed	Note – 22
y)	Restated Consolidated Summary Statement of Manufacturing and Other Operational	Note – 23
	Expenses	
z)	Restated Consolidated Summary Statement of Change in Inventories of Finished	Note – 24
	Goods, WIP and Scraps	
aa)	Restated Consolidated Summary Statement of Employee Benefit Expenses	Note – 25
ab)	Restated Consolidated Summary Statement of Finance Costs	Note – 26
ac)	Restated Consolidated Summary Statement of Depreciation & Amortization	Note – 27
	Expenses	
ad)	Restated Consolidated Summary Statement of Other Expenses	Note – 28
ae)	Restated Consolidated Summary Statement of Exceptional Items	Note – 29
af)	Restated Consolidated Summary Statement of Related Party Transactions	Note – 30
ag)	Restated Consolidated Summary Statement of Contingent Liabilities	Note – 31
ah)	Restated Consolidated Summary Statement of Mandatory Accounting Ratios	Note – 32
ai)	Restated Consolidated Summary Statement of Tax Shelter	Note – 33
aj)	Restated Consolidated Summary Statement of Capitalization	Note – 34

According to the information and explanations given to us, and also as per the reliance placed on the reports of the statutory auditor as referred to in Para 6 above, in our opinion, the Restated Consolidated Financial Information including the above mentioned Other Restated Financial Information contained in **Notes1 to 34**, read with Restated Consolidated Summary Statement of Significant Accounting Policies disclosed in **Annexure IV**, are prepared after



making adjustments and regroupings as considered appropriate as disclosed in **Annexure IV** and have been prepared in accordance with Section 26 of Part I of Chapter III of the Act, read with Rules 4 to 6 of the Rules, ICDR Regulations and the Guidance Note.

- (22) We have not audited or reviewed any Financial Statements of the Company as of any date or for any period subsequent to 31January, 2018. Accordingly, we express no opinion on the Financial Position, Results of the Operations or Cash Flow of the Company as of any date or for any period subsequent to 31January, 2018.
- (23) This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us or by other firm of Chartered Accountants, nor should this report be construed as a new opinion on any of the Financial Statements referred to herein.
- (24) We have no responsibility to update our report for events and circumstances occurring after the date of the report.
- (25) Our report is intended solely for use of the Management for inclusion in the offer document to be filed with the National Stock Exchange where the equity shares are proposed to be listed and the relevant Registrar of Companies in India in connection with the IPO. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

For Mansaka Ravi & Associates Chartered Accountants FRN: 015023C

CA Ravi Mansaka Partner M.N. 410816

Date: 06-06-2018 Place: Jaipur



### ANNEXURE - I RESTATED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

(Amount in Lakhs)

		(Amount in Lakhs)		
articulars			As At	
	NOTE	January 31, 2018	March 31, 2017	
I. EQUITY AND LIABILITIES				
(1) Shareholders' Funds	1	12 ( 50	102.00	
(a) Share Capital	1	426.59	403.09	
(b) Reserves and Surplus (excluding Revaluation		5918.53	4809.41	
Reserves, if any)	2			
(c) Money received against share warrants		0.00	0.00	
(2) Share Application Money Pending Allotment		0.00	0.00	
(3) Non Current Liabilities		420.20	020.55	
(a) Long-term Borrowings	3	430.29	939.55	
(b) Deferred tax Liabilities (Net)	4	34.56	6.71	
(c) Other Long Term Liabilities				
(d) Long-term Provisions	5	29.82	22.39	
(4) Current Liabilities				
(a) Short-term Borrowings	6	11219.06	9729.69	
(b) Trade Payables				
(A) total outstanding dues of micro enterprises and small				
enterprises; and	7			
(B) total outstanding dues of creditors other than micro		17427.09	13028.19	
enterprises and small enterprises.		17427.09	13028.19	
(c) Other Current Liabilities	8	3090.33	1691.68	
(d) Short-term Provisions	9	120.53	51.95	
Total		38696.79	30682.67	
TI A GODERO				
II. ASSETS				
(1) Non Current Assets				
(a) Fixed Assets	10	1076.61	1 420 77	
(a) Tangible Assets	10	1956.61	1428.75	
(b) Intangible Assets	11	2.57	3.33	
(c) Capital Work-In-Progress	12	0.00	508.49	
(c) Non Current Investments	13	226.01	0.01	
(d) Deferred Tax Assets (Net)	4			
(e) Long-term Loans and Advances	14	161.90	128.98	
(f) Other Non Current Assets				
(2) Current Assets				
(a) Current Investments		0.00	0.00	
(b) Inventories	15	7639.31	5153.32	
(c) Trade Receivables	16	22515.95	17693.91	
(d) Cash and Cash Equivalents	17	4399.57 4059.39		
(e) Short-term Loans and Advances	18	1795.36 1701.19		
(f) Other Current Assets	19	(0.50)	5.30	
Total		38696.79	30682.67	

Note-: The above statement should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexures IV, II and III.



### ANNEXURE - II RESTATED CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(Amount in Lakhs)

			(Amount in Lakits)		
	Particulars	Note	For the Ten Months Period Ended	For the Year ended	
		No.	January 31,	March 31,	
			2018	2017	
I	Revenue from Operations	20	42150.53	40792.13	
II	Other Incomes	21	251.44	316.06	
III	Total Income (I+II)		42401.97	41108.19	
IV	Expenses:				
	Cost of Material Consumed	22	36663.21	32820.28	
	Manufacturing & Other Operational Expenses	23	1714.74	2278.63	
	Changes in Inventories of finished goods, Stock-in-Trade and work-in-progress	24	(1679.94)	195.65	
	Employee Benefits Expenses	25	998.63	674.39	
	Finance Costs	26	2580.15	2539.47	
	Depreciation And Amortization Expense	27	177.73	194.18	
	Other Expenses	28	660.60	1325.77	
	Total Expenses (IV)		41115.13	40028.37	
V	Profit/(loss) before exceptional items and tax (I-IV)		1286.83	1079.82	
VI	Exceptional Items	29	(44.77)	109.68	
VII	Profit/(loss) before tax (V-VI)		1331.61	970.14	
VIII	Tax Expense				
	(1) Current Tax		404.80	325.97	
	(2) Interest on IT Earlier Year		1.37	2.84	
	(3) Deferred Tax Liability/(Assets)		27.85	(8.02)	
	(4) MAT Credit (Entitlement)/Set-Off		(0.03)	(0.03)	
	Restated Profit/(loss) after tax for the period from		897.61	649.38	
IX	continuing operations (VII-VIII)				
X	Profit/ (Loss) from Discontinuing operation		0.00	0.00	
XI	Tax expenses of discontinuing operations		0.00	0.00	
XII	Profit/(loss) from Discontinued operations (after tax) (X-XI)				
XIII	Restated profit/(loss) for the period		897.61	649.38	
Note:					

### Note:

<sup>1.</sup> The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses as appearing in Annexures IV, I and II.



# ANNEXURE - III RESTATED CONSOLIDATED CASH FLOW STATEMENT

		(Amount in Lakins)
Particulars	For the Ten Months period	For the Year ended
1 at ticulars	Ended	
	January 31, 2018	March 31, 2017
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	1331.61	970.14
Adjustment for :		
Interest on Fixed Deposit	204.90	233.98
Loss on Sale of Fixed Assets	(1.93)	(14.76)
Provision for TDS Defaults	0.55	0.88
Depreciation	177.73	194.18
Provision of Gratuity	8.04	6.31
Interest & Finance Charges	2580.15	2539.47
Operating profit before working capital changes	4301.05	3930.20
Adjustments for :		
(Increase)/Decrease in Inventories	(2485.99)	927.94
(Increase)/Decrease in Trade Receivables	(4822.04)	(4760.19)
(Increase)/Decrease in Short Term loans and advances	(95.37)	(354.10)
(Increase)/Decrease in Other Current Assets	5.69	(0.55)
Increase/(Decrease) in Trade Payables	4398.89	4464.44
Increase/(Decrease) in Short Term Borrowings	1175.23	(17.71)
Increase/(Decrease) in Other Current Liabilities	1398.66	88.02
Increase/(Decrease) in Short Term Provisions	0.00	0.00
Cash generated from / (used in) operations	3876.12	4278.05
Income Tax Paid/(refund)	338.75	338.84
Net cash generated from/(used in) operating activities - (A)	3537.37	3939.21
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(713.89)	(94.01)
Increase in Capital Work-in-Progress	508.49	(198.45)
Sale of Fixed Assets	10.98	20.31
Interest Income on Fixed Deposit	(204.90)	(233.98)
(Investment)/Realization in/from FDR	(255.90)	(1303.03)
Purchase of Investments	(226.00)	0.00
(Increase)/Decrease in Long Term Loans and Advances	(31.59)	(27.82)
Net cash (used in) Investing Activities - (B)	(912.80)	(1836.98)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issue of Share Capital	23.50	30.00
Proceeds from Security Premium	211.50	270.00
Proceeds from Share Application Money Pending Allotment	0.00	0.00
Repayment of Long Term Borrowings	(195.13)	227.54
Interest & Finance Charges	(2580.15)	(2539.47)
Net cash(used in) / from financing activities - (C)	(2540.29)	(2011.93)
Net Increase/(decrease) in Cash & Cash Equivalents (A+B+C)	84.28	90.30
Cash and cash equivalents at the beginning of the year	4.74	(85.57)
Cash and cash equivalents at the end of the year	89.02	4.74
Cash and cash equivalents at the end of the year	89.02	4.74



Cash and cash equivalents at the end of year comprises:		
1. Components of cash and cash equivalents:		
Particulars	January 31, 2018	March 31, 2017
Cash on hand	39.14	23.11
Balances with scheduled banks:		
In current accounts	49.88	(18.38)
Total Cash and cash equivalents	89.02	4.74

- 1. The Cash Flow Statement has been prepared under indirect method as set out in Accounting Standard -3 on Cash Flow Statement, specified under the Companies Act, 1956 (which are deemed to be applicable as Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of Companies (Accounts) Rules, 2014).
- 2. Figures in Brackets represents outflow.
- 3. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses as appearing in Annexures IV, I and II.



#### ANNEXURE IV

# RESTATED SUMMARY STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES

# D. Basis and Principles of Consolidation

1. The Financial Statements relate to **Cabcon India Limited** ("the Company"), its subsidiaries and associates. The Financial Statements have been prepared in accordance with Accounting Standard 21 (AS 21) "Financial Statements" notified by the Companies (Accounting Standard) Rules, 2014. The Financial Statements have been prepared on the following basis:

# **Subsidiary Companies:**

- (i) The financial statements of the Company and its subsidiary companies have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses. Intra group balances, intra group transactions and unrealized profits or losses have been fully eliminated.
- (ii) The difference between the costs of investment in the subsidiaries and the Company's share of equity at the time of acquisition of shares in the subsidiaries is recognized in the financial statements as Goodwill on consolidation or Capital Reserve on consolidation.
- (iii) The difference between the proceeds from disposal of investment in a subsidiary and the carrying amount of its assets less liabilities as of date of disposal is recognized in the Statement of Profit and Loss as profit or loss on disposal of investment in subsidiaries.
- (iv) Minority Interest in the net assets of subsidiaries consists:
  - (a) the amount of equity attributable to minorities at the date on which investment in a subsidiary is made; and
  - (b) minorities' share of movements in equity since the date the parent Subsidiary relationship comes into existence.
- (v) The financial statements of the subsidiaries are drawn up to reporting date.
- 2. The subsidiaries and associates (which along with Cabcon India Limited, the parent, constitute the group) considered in the presentation of these Financial Statements are:

S	S.N.	Name of Company		Relationship	Country of Incorporation	Proportion o	f Ownership rest	
							31.01.2018	01.04.16 to 31.03.2017
1.	•	Holistic Limited	Properties	Private	Wholly Owned Subsidiary	India	100%	100%

# E. Significant Accounting Policies

### (16) Basis of preparation

The Restated Consolidated Summary Statement of Assets and Liabilities of the Company in Annexure I as at 31 January, 2018 and 31 March 2017 and the Restated Summary Statement of Profit and Loss in Annexure II and the Restated Summary Statement of Cash Flows in Annexure III for the ten months period ended 31 January, 2018, and for the year ended 31 March 2017 along with Notes-1 to 34 (collectively referred to as the "Restated Consolidated Summary Financial Information") have been prepared specifically for the purpose of inclusion in the offer document to be filed by the Company with the Securities and Exchange Board of India ("SEBI"), Registrar of Companies ("ROC") and relevant stock exchange/s, as may be required in connection with the proposed Initial Public Offering ("IPO").

The Restated Consolidated Summary Financial Information have been extracted by the management from audited financial statements of the Company for respective period/years ("Financial Statements"), after applying necessary adjustments. The Financial Statements comprise of the Balance Sheet as at period/year end, the Statement of Profit and Loss, the Cash Flow Statement for the period/year then ended, and a summary of significant accounting policies and other explanatory information.



The Financial Statements were prepared and presented under the historical cost convention using the accrual system of accounting in accordance with the generally accepted accounting principles in India ("Indian GAAP") and the requirements of the Companies Act, 1956 (up to 31 March 2014), and notified Sections, Schedules and Rules of the Companies Act, 2013 (with effect from 01 April 2014) ("the Act"), including the Accounting Standards as prescribed by Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, to the extent applicable.

The accounting policies have been consistently applied by the Company to the period/years presented in the Restated Consolidated Summary Financial Information. The Restated Consolidated Summary Financial Information of the Company have been prepared to comply in all material respects with the requirements of Chapter III to the Act and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time.

Appropriate re-classifications/ adjustments have been made in the Restated Consolidated Summary Financial Information wherever required, by re-classification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the presentation and recognition as per the Financial Statements of the Company and the requirement of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time.

The Restated Consolidated Summary Financial Information are presented in Indian rupees (in lakhs), unless otherwise stated. These Restated Consolidated Summary Financial Information were reviewed by the Audit Committee on 30<sup>th</sup>May, 2018 and subsequently also approved by the Board of Directors of the Company on 30<sup>th</sup> May, 2018.

# (17) Use of Estimates

The preparation of these Restated Consolidated Financial Information in conformity with Indian GAAP requires the Management to make judgments, estimates and assumptions that effect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in current and future periods.

### (18) Current and Non-Current Classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

#### **Assets**

An asset is classified as current when it satisfies any of the following criteria:

- e. it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- f. it is held primarily for the purpose of being traded;
- g. it is expected to be realized within 12 months after the reporting date; or
- h. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

### Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- e. it is expected to be settled in the Company's normal operating cycle;
- f. it is held primarily for the purpose of being traded;
- g. it is due to be settled within 12 months after the reporting date; or



h. the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current assets/ liabilities include the current portion of non-current assets/ liabilities respectively. All other assets/ liabilities are classified as non-current.

# **Operating cycle**

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The Company considers its operating cycle to be within one year.

### (19) Property, Plant and Equipment and Depreciation thereon

### c) Property, Plant and Equipment

Property, plant and equipment are carried at cost of acquisition or construction less accumulated depreciation and/ or accumulated impairment loss, if any. The cost of an item of Property, plant and equipment comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditures related to an item of Property, plant and equipment are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. A Property, plant and equipment is eliminated from the Financial Statements on disposal or when no further benefit is expected from its use and disposal.

Losses arising from retirement or gains or losses arising from disposal of Property, plant and equipment which are carried at cost are recognized in the Statement of Profit and Loss.

Intangible assets are stated at acquisition cost, Net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a Written Down Value basis over their estimated useful lives in accordance with the provisions of Accounting Standard (AS) -26 "Intangible Assets" issued by the Institute of Chartered Accountants of India.

# d) Depreciation

Till the year ended 31 March 2014, depreciation on Property, plant and equipment other than leasehold improvements was provided for on a written down value method (WDV) at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956. Depreciation in respect of Property, plant and equipment acquired during the year whose actual cost does not exceed Rs. 5,000 has been provided at 100%.

After the applicability of Schedule II of the Companies Act, 2013, with effect from 01 April 2014, depreciation on Property, plant and equipment is provided for on a written down value method at the rates prescribed in Schedule II to the Companies Act, 2013.

Depreciation on Property, plant and equipment sold, discarded or demolished during the year, if any, is being provided pro-rata up to the date on which such Property, plant and equipment are sold, discarded or demolished.

Pursuant to the Act being effective from 01 April 2014, the Company has revised depreciation rates on certain Property, plant and equipment as per the useful life specified in Part 'C' of Schedule II to the Act. As a result of this change, the depreciation charge for the year ended 31 March 2015 is higher by an amount of **Rs. 3.50 Lakhs** in respect of Property, plant and equipment whose useful life is already exhausted as on 01 April 2014 has been adjusted from retained earnings.



Cost of Property, plant and equipment not ready for use as at the Balance Sheet date are disclosed as capital work-in-progress.

# (20) Revenue Recognition

# (d) Service Income

- (i) Revenue is recognized to the extent that it is possible that the economic benefits will flow to the company and the revenue can be reliably measured with reliable certainty of realizing the consideration.
- (ii) Sales are recognized when the significant risks and rewards of ownership of the goods have passed to the buyer. Sales include goods sold to the turnkey project undertaken by company and are inclusive of excise duty and commercial taxes but net of sales return.
- (iii) Additional Sales resulting from nature of business of Company such as bills relating to price variation, excess supplies and extra works etc are raised by the Company on basis of terms of the Contract and are accounted for in the books only after the same has been accepted by the customers during the course of time or at the end of contract. As such only those bills which are acceptable by the customers are accounted for in the books of accounts recognized on accrual basis when the risk and reward passes to buyer.

#### (e) Interest Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

#### (f) Dividend Income

Dividend income is recognized when right to receive the payment is established.

#### (21) Inventories

Raw material and stock-in-trade are carried at lower of cost and net realizable value (FIFO) method. Work in progress comprises material cost on FIFO basis, labour and manufacturing overheads incurred in bringing the inventories to their present location and condition. Cost of finished goods are carried at lower of cost and net realizable value.

#### (22) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

#### (23) Foreign Currency Transactions

Transaction denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction and any income or expenses on account of exchange difference either on settlement or on translation is recognized in the Statement of profit and Loss except in case where they relate to acquisition of fixed assets, are adjusted with the carrying cost of such assets.

# (24) Employee Benefits

#### (c) Short term employee benefits

All employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount



of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service is rendered by employees.

# (d) Post-employment Benefits

# (v) Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Employer makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. The Employer's contribution is recognized as an expense in the Restated Consolidated Summary Statement of Profit and Loss during the period in which the employee renders the related service.

### (vi) Defined benefit plans

The Company's gratuity scheme is a defined benefit plan. The present value of obligation under such defined benefit plan is determined based on actuarial valuation carried at the period/year end using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date.

#### (vii) Compensated absences

The employees can carry-forward a portion of the unutilized accrued compensated absences and utilize it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

#### (viii) Termination benefits

Termination benefits are recognized as an expense when, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

### (25) Accounting for Taxes on Income

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount that are enacted or substantively enacted, at the reporting date.

- (i) Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.
- (ii) Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.



Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

# (26) Earnings Per Share:

In determining the Earnings Per share, the company considers the net profit after tax which does not include any post tax effect of any extraordinary / exceptional item. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period.

The number of shares used in computing Diluted earnings per share comprises the weighted average number of shares considered for computing Basic Earnings per share and also the weighted number of equity shares that would have been issued on conversion of all potentially dilutive shares.

In the event of issue of bonus shares, or share split the number of equity shares outstanding is increased without an increase in the resources. The number of Equity shares outstanding before the event is adjusted for the proportionate change in the number of equity shares outstanding as if the event had occurred at the beginning of the earliest period reported.

### (27) Provisions, contingent liabilities and contingent assets

A provision is created when there is a present obligation as a result of a past event and it is more likely than not that there will be an outflow of resources embodying economic benefits to settle such obligation and the amount of such obligation can be reliably estimated. Provisions are not discounted to its present value, and are determined based on the management's best estimate of the amount of obligation required at the period/year end. These are reviewed at each Balance Sheet date and adjusted to reflect current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that have arisen from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of future events not wholly within the control of the Company. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

The Company does not recognize assets which are of contingent nature until there is virtual certainty of realisability of such assets. However, subsequently, if it becomes virtually certain that an inflow of economic benefits will arise, asset and related income is recognized in the Financial Statements of the period in which the change occurs.

### (28) Impairment of Assets

The company assesses, at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's (including goodwill) recoverable amount is the higher of an assets net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

After impairment, depreciation/ amortization is provided on the revised carrying amount of the asset over its remaining useful life.

#### (29) Borrowing Costs



Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

#### (30) SEGMENT REPORTING

# (iii) Business Segment

- (a) The business segment has been considered as the primary segment.
- (b) The group's primary business segments are reflected based on principal business activities, the nature of service, the differing risks and returns, the organization structure and the internal financial reporting system.
- (c) The Group's primary business comprises of reportable segments i.e. Manufacturing of Conductors (AACR) and Project Construction (Trunkey Contract) which includes erection of Tower and Property Construction (for Subsidiary), as envisaged in Accounting Standard 17 'Segment Reporting'. Accordingly, the disclosure as required under the said Accounting Standard for Segment reporting in the financial statements of the Company given in Notes to Accounts.

# (iv) Geographical Segment

The Company operates in one Geographical Segment namely "within India" and hence no separate information for geographic segment wise disclosure is required.

# F. CHANGES IN ACCOUNTING POLICIES IN THE PERIODS/YEARS COVERED IN THE RESTATED FINANCIALS

In the restated financials, there is no change in significant accounting policies adopted by the Company.

#### G. CHANGE IN ACCOUNTING ESTIMATES

# a. Useful lives/depreciation rates

Till the year ended 31 March 2014, depreciation rates prescribed under Schedule XIV were treated as minimum rates and the Company was not allowed to charge depreciation at lower rates even if such lower rates were justified by the estimated useful life of the asset. Schedule II Part C to the 2013 Act prescribes useful lives for property, plant and equipment which, in many cases, are different from the useful lives prescribed under the erstwhile Schedule XIV. However, Schedule II allows companies to use higher/ lower useful lives and residual values if such useful lives and residual values can be technically supported and justification for difference is disclosed in the financial statements.

Considering the applicability of Schedule II, the management has re-estimated useful lives and residual values of all its property, plant and equipment. The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of property, plant and equipment, though these rates in certain cases are different from lives prescribed under Schedule II there is no material impact of the same.

In Restated financials the Company has calculated the depreciation based on the rates given in Schedule XIV of the Companies Act, 1956 till 31.03.2014 and after 31.03.2014 based on the rates given in Schedule II of the Companies Act, 2013. In respect of assets whose useful life had already exhausted as on 1 April 2015, has been adjusted in Reserves and Surplus in accordance with requirements of Para 7 of Part C of Schedule II of the Act. Such assets which do not have useful life as on 01.04.2014 were having WDV Rs. 3.50 Lakhs.

# **b.** Component accounting:

During the previous year i.e., with effect from 1 April 2014, the Company has adopted component accounting as required under Schedule II to the Companies Act, 2013. The Company was previously not identifying components



of property, plant and equipment separately for depreciation purposes; rather, a single useful life/ depreciation rate was used to depreciate each item of property, plant and equipment.

Due to application of Schedule II to the 2013 Act, the Company has changed the manner of depreciation for its property, plant and equipment. Now, the Company identifies and determines cost of each component/part of the asset separately, if the component/part has a cost which is significant to the total cost of the asset having useful life that is materially different from that of the remaining asset. These components are depreciated over their useful lives, the remaining asset is depreciated over the life of the principal asset. However, it does not have any impact on the Restated Un Summary Statement of Profit and Loss for the year ended 31 March 2015. The aforesaid policy has been consistently applied by the Company during the current year.

# H. NOTES ON THE RESTATED FINANCIALS

- (13) The financial statements including financial information have been prepared after making such regroupings and adjustments, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial statements/information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.
- (14) The Company does not have information as to which of its supplier are Micro small and Medium Enterprise registered under The Micro small and Medium Enterprise Development Act 2006. Consequently the liability, if any, of interest which would be payable under The Micro small and Medium Enterprise Development Act 2006, cannot be ascertained. However, the Company has not received any claims in respect of such interest and as such, no provision has been made in the books of accounts.

# (15) Employee benefits (Accounting Standard – 15 "Employee Benefits")

The Company has adopted the Accounting Standard 15 (revised 2005) on Employee Benefits as per an actuarial valuation carried out by an independent actuary in restated financials. The disclosures as envisaged under the standard are as under-:

Disclosure in respect of Gratuity:

(Rs. In Lakhs)

Particulars	01.04.17 to 31.01.18	2016-17			
1.The amounts recognized in the Balance Sheet are as follows:					
Present value of obligations Recognized	35.71	27.68			
Net Liability	35.71	27.68			
2. The amounts recognized in the Profit & Loss A/c are as follows:					
Current Service Cost	9.65	7.10			
Interest on Defined Benefit Obligation	1.82	1.60			
Net Actuarial Losses/(Gains) Recognized in Year	(3.44)	(2.39)			
Past Service Cost					
Total Included in "Salaries& Allowances"	8.04	6.31			
3. Changes in the present value of defined benefit obligation:					
Defined benefit obligation as at the beginning of the year/period	27.68	21.36			
Service cost	9.65	7.10			
Interest cost	1.82	1.60			
Actuarial Losses/(Gains)	(3.44)	(2.39)			
Benefits Paid					
Defined benefit obligation as at the end of the year/period	35.71	27.68			
Benefit Description					
Benefit type:	Gratuity Valua	tion as per Act			
Retirement Age:	60 years				
Vesting Period: 5 years					
The principal actuarial assumptions for the above are:					
Future Salary Rise:	7.00% P.A	7.00% P.A			



Withdrawal Rate	5.00%P.A		
Discount rate per annum:	7.88%P.A 7.50%P.A		
Mortality Rate:	IALM 2006-08	IALM 2006-08	

Note: Gratuity provisions are not applicable on subsidiary company.

### (16) Segment Reporting (AS 17)

The Company is required to disclose the information required by Accounting Standard- 17. The company including its subsidiary operate in three reportable segments i.e. Manufacturing of Conductors i.e. AACR and engaged in Project Construction i.e. Turnkey Project which includes erection of Tower and Property Construction (in case of subsidiary) Accordingly, company has more than one business segment, therefore, disclosure as envisaged in Accounting Standard are given as under:

# SEGMENT REPORTING FOR PERIOD FROM 01.04.2017 TO 31.01.2018 Business Segment (Primary Segment) Reporting

(Rs. In Lakhs)

	Conductor	Project	Property					
Particulars	Manufacturing	Construction	Construction	Unallocable	Total			
SEGMENT REVENUE								
External Revenue	30179.49	11971.03	0.00	0.00	42150.53			
Inter Segment Revenue	0.00	0.00		0.00	0.00			
Other Incomes	0.00	0.00			0.00			
Total Revenue	30179.49	11971.03	0.00	0.00	42150.53			
SEGMENT RESULTS								
Segment Result before								
Depreciation, Finance								
Cost & Tax	1228.71	2660.07	-0.65	0.00	3888.13			
Other Incomes	26.31	163.63	0.60	60.90	251.44			
Finance Cost		568.19	0.01	2011.96	2580.15			
Depreciation	127.92	49.81		0.00	177.73			
Unallocable Corporate								
Expenses	0.00	0.00	0.00	50.08	50.08			
Income-tax	0.00	0.00	0.01	433.98	433.99			
Profit from Ordinary								
Activities	0.00	0.00	0.00	0.00	897.61			
Extra-ordinary Items	0.00	0.00		0.00	0.00			
Net Profit	0.00	0.00		0.00	897.61			
OTHER INFORMATION								
Segment Assets	20928.43	16802.52	233.48	732.36	38696.79			
Segment Liabilities	14121.64	6362.03	2.38	11865.63	32351.68			
Capital Expenditures	681.76	32.13		0.00	713.89			
Depreciation	127.92	49.81	0.00	0.00	177.73			
Non-Cash Expenses								
other than Depreciation	8.59	0.00		0.00	8.59			

#### **SEGMENT REPORTING FOR THE YEAR 2016-17**

Particulars	Conductor Manufacturing	Project Construction	Property Construction	Unallocable	Total
SEGMENT REVENUE					
External Revenue	28906.72	11885.40		0.00	40792.13
Inter Segment Revenue	0.00	0.00		0.00	0.00
Other Incomes	0.00	0.00			0.00
Total Revenue	28906.72	11885.40	0.00	0.00	40792.13
SEGMENT RESULTS					



Segment Result before					
Depreciation, Finance					
Cost & Tax	1111.60	2377.48	-0.88	0.00	3488.20
Other Incomes		17.45	1.20	297.41	316.06
Finance Cost		429.18	0.01	2110.28	2539.47
Depreciation	183.03	11.15			194.18
Unallocable Corporate					
Expenses	0.00	0.00		100.47	100.47
Income-tax	0.00	0.00	0.15	320.61	320.76
Profit from Ordinary					
Activities	0.00	0.00		0.00	649.38
Extra-ordinary Items	0.00	0.00		0.00	0.00
Net Profit	0.00	0.00	0.00	0.00	649.38
OTHER INFORMATION	)N				
Segment Assets	18847.69	11275.60	231.83	327.55	30682.67
Segment Liabilities	11090.79	3585.28	1.96	10792.13	25470.17
Capital Expenditures	71.33	22.68		0.00	94.01
Depreciation	183.03	11.15		0.00	194.18
Non-Cash Expenses					
other than Depreciation	7.19	0.00		0.00	7.19

# (17) Provisions, Contingent Liabilities and Contingent Assets (AS 29)

Contingent liabilities and commitments (to the extent not provided for). There are no contingent liabilities as on January 31, 2018 except as mentioned in Note - 31, for any of the years covered by the statements.

# (18) Related Party Disclosure (AS 18)

Related party transactions are reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended, in the Note - 30 of the enclosed financial statements.

# (19) Accounting for Taxes on Income (AS 22)

Deferred Tax liability/Asset in view of Accounting Standard – 22: "Accounting for Taxes on Income" as at the end of the year/period is reported as under:

### **CALCULATION OF DTA/DTL**

(Amount in Lakhs)

Particulars As At		
Deferred Tax Liability	31/01/2018	31/03/2017
Net WDV as Per Companies Act	1958.95	1431.84
Net WDV As per Income Tax Act	1818.70	1383.87
Timing Difference Due to Depreciation	140.25	47.97
Deferred Tax Liability (A)	46.37	15.86
Incremental Due to Depreciation	30.51	-5.94
Gratuity Provisions Accumulated	35.71	27.68
Deferred Tax Assets (B)	11.81	9.15
Incremental Due to Gratuity Provisions	2.66	2.09
Cumulative Balance of Deferred Tax Liability/(Deferred Tax Assets) (A-B)	34.56	6.71
Opening Deferred Tax Liability	6.71	14.73
Debited/(Credit) to Restated Statement of Profit and Loss Account	27.85	-8.02

# (20) Earnings Per Share (AS 20):

Earnings per Share have been calculated is already reported in the Note – 32 of the enclosed financial statements.



#### (21) Realizations:

In the opinion of the Board and to the best of its knowledge and belief, the value on realization of current assets, loans and advances will, in the ordinary course of business, not be less than the amounts at which they are stated in the Balance sheet.

### (22) Contractual liabilities

All other contractual liabilities connected with business operations of the Company have been appropriately provided for.

# (23) Amounts in the financial statements

Amounts in the financial statements are rounded off to nearest Rupees in lakhs. Figures in brackets indicate negative values.

# (24) MATERIAL ADJUSTMENTS [AS PER SEBI (ICDR) REGULATIONS, 2009]

Appropriate adjustments have been made in the restated financial statements, whenever required, by reclassification of the corresponding items of assets, liabilities and cash flow statement, in order to ensure consistency and compliance with requirement of Company Act 1956, and as replaced by Company Act 2013 after 01<sup>st</sup> April 2014 and Accounting Standards.

The Summary of results of restatements made in the audited financial statements of the Company for the respective period / years and their impact on the profit / (loss) and assets and liabilities of the Company is as under.

### Statement of adjustments in the Financial Statements

The reconciliation of Profit after tax as per audited results and the Profit after tax as per Restated Accounts is presented below in Table-1. This summarizes the results of restatements made in the audited accounts for the respective years/period and its impact on the profit & loss of the company.

Particulars Particulars	31/01/2018	31/03/2017
Net Profit After Tax as per audited accounts but before adjustments for restated accounts:	803.70	606.30
Decrease/(Increase) in Loss sale of Fixed Assets	(0.85)	3.79
Decrease/(Increase) in Expenses due to Provision of TDS Defaults	(0.28)	(0.88)
Decrease/(Increase) in Depreciation/Amortization Exp	18.08	23.25
Decrease/(Increase) in DTL	(1.96)	(10.48)
Decrease/(Increase) in Expenses due to Adj in Interest Expense	0.33	0.42
Decrease/(Increase) in Expenses due to Adjustment in Misc Expenses	(4.68)	(8.71)
Decrease/(Increase) in Provision of Income Tax	0.00	(2.84)
Decrease/(Increase) in Legal Expenses due to Adj of Preliminary Exp	(3.75)	0.00
Decrease/(Increase) in Expenses due to Change in Interest on IT	(1.37)	0.00
Decrease/(Increase) in Expenses due to Preliminary Exp	0.75	0.00
Decrease/(Increase) in Expenses due to Adj of CST/Sales Tax Payments	55.96	39.50
Decrease/(Increase) in Finance Charges	66.74	(1.68)
Decrease/(Increase) in Insurance Expenses	0.00	0.52
Pre-acquisition Profits not considered in audited consolidated financials	0.00	0.35
Increase/(Decrease) in FDR Incomes	(35.07)	(0.29)



Decrease/(Increase) in Expenses due to TDS Receivable Adjustment	0.00	0.14
Net Increase/ (Decrease)	93.91	43.08
Profits after Tax as per Restated Accounts	897.61	649.38

# d) Accounting of Depreciation / Amortization

During the process of restatement of Accounts, Company has rectified the Depreciation provision / Amortization which was wrong on account of arithmetical errors and wrong rate of depreciation / method of amortization adopted, and due to non-compliance with the certain requirements of schedule II of the Companies Act, 2013 w.e.f. 1.4.2014 onwards. Further, the same has also impact on profit and loss on sale of Property, Plant & Equipment items during the restatement period. The same has been rectified and accordingly effect thereof has been stated in Table 1 (Statement of Profit and Loss after Tax). Further, the Balance Sheet figures of property, plant and equipment have also been restated after giving impact of change in depreciation provisions.

# e) Adjustment on account of Provision of Deferred Tax:

Due to changes in depreciation provisions and other adjustments, etc, the Company has recalculated the deferred tax liability and deferred tax assets at the rate of normal Tax rate applicable at the end of relevant year/period. The same has been rectified and accordingly effect thereof has been stated in Table 1 (Statement of Profit and Loss after Tax). Further, the Balance Sheet figures of Deferred Tax Liabilities/Assets have also been restated after giving impact of re-calculation.

# f) Accounting of Short Depreciation prior to 31.03.2012:

During the period of restatement, the Company has identified short depreciation charged amounting to Rs. 1.74 Lakhs on property, plant and equipment upto 31.03.2012 and accordingly, Rs. 1.74 Lakhs has been reduced from Opening balance of Retained earnings on account of such short depreciation charged in earlier years, etc. and adjusted the carrying amount of Property, Plant & Equipment as on 01.04.2012. Further, corresponding adjustment on account of Deferred Tax on such depreciation has been added in Opening Balance of Retained Earnings as on 01.04.2012/01.04.2016.

#### d) Provision of TDS defaults

During the period of restatement, the Company has identified some TDS defaults as per Traces which amounts to Rs. 29.61 Lakhs. The same has been provided for in restated financials and accordingly effect thereof has been stated in Table 1 (Statement of Profit and Loss after Tax) and opening balance of retained earnings as on 01.04.2016 as applicable.

### e) Adjustment of Income-tax, Local Sales Tax, Central Sales Tax and Service Tax paid for earlier years

During the period of restatement, the Company has identified material amounts relating to adjustments for previous year on account income tax, local sales tax, Central Sales Tax and Service Tax paid for earlier year 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 in terms of ICDR Guidelines. The impact thereof has been stated in Table 1 (Statement of Profit and Loss after Tax).

# f) Provision of Interest Expenses and other adjustments

During the period of restatement, the Company has identified that it was not making provisions in respect of interest expenses accrued but not due as per repayment schedules of the respective loan. The interest was accounted for as and when it was paid only. The same has been rectified and accordingly effect thereof has been stated in Table 1 (Statement of Profit and Loss after Tax).



#### g) Other Items pertain to Previous Years

During the period of restatement, the Company has identified material amounts relating to Prior Period Expenses and Incomes and adjusted in arriving at the restated profits of the years to which they relate. The impact thereof has been stated in Table 1 (Statement of Profit and Loss after Tax).

#### h) Adjustment of TDS Receivable

During the period of restatement, the Company has adjusted TDS receivables of respective year as provided in Form 26AS issued by Income-tax Department in the respective year to which they relate. The impact thereof has been stated in Table 1 under the head sundry balance written off (Statement of Profit and Loss after Tax).

### i) Accounting of Preliminary Expenses

During the period of restatement, the Company has rectified the accounting of Preliminary Expenses in terms of Accounting Standards and accordingly, preliminary expenses have been charged to revenue during the year in which they incurred instead of differing the same. The impact thereof has been stated in Table 1(Statement of Profit and Loss after Tax) and the balance of preliminary expenses relating to a period earlier than reporting period is adjusted through opening balance of retained earnings as on 01.04.2016.

#### j) Accounting of Loan Processing Fees/ Charges

The Company was accounting for the loan processing fees as per deferred system i.e. writing off the expenditure over the period of loan which was a wrong practice in terms of mercantile concept of accounting. During the period of restatement, the Company has identified this wrong practice and accordingly, in restated financials, the company has rectified the accounting of loan processing fees (other than charges paid for issuing bank guarantees) by charging the fees in the year in which it is incurred. The impact thereof has been stated in Table 1(Statement of Profit and Loss after Tax).

# k) Adjustment of Income-tax Paid under Income Disclosure Scheme

In FY 2016-17, the Company has charged Rs. 180 Lakhs to the retained earnings on account of income tax to be paid against undisclosed income declared under Income Disclosure Scheme issued by the Income-tax Department / CBDT. The Company has declared this income against the undisclosed income pertaining to financial year 2011-12. As FY 2011-12 is outside the reporting period, in restated financials, the Company has adjusted the amount of tax amounting to Rs. 180 Lakhs against opening balance of retained earnings as on 1st April, 2016 in terms of ICDR Guidelines.

# 1) Regrouping and Reclassification of Items of Balance Sheet and Profit & Loss Account

During the period of restatement, the Company has identified certain wrong grouping and classification of items of balance sheet and profit and loss account and accordingly, in restated financials, the Company has rectified, regrouped and reclassified the items of balance sheet and profit and loss account wherever required to make the financials comparable for every year.

### m) Adjustment of account of error in accounting of bank payment to supplier

During the restated financials, the Company has identified an error in accounting of a bank payment amounting to Rs. 105 Lakhs which was wrongly debited to supplier account in FY 2016-17 instead of FY 2017-18. The same has been rectified in restated financials and accordingly, cross impact thereof on bank account balance and trade payable have been given in restated financials.

### n) Adjustment in Provision of Tax as per Income-tax Return & Assessed Tax



In restated financials, the Company has adjusted the provision of income tax as per amount of income tax paid as per income tax return or assessment order, if any, for that assessment year. In restated financials, the provision of income tax has not been adjusted by giving impact of items added or reduced in profit and loss account as per Table -1 (Statement of Profit or Loss after Tax), however, the impact thereof has been shown in Note -34 "Statement of Tax Shelter" to the restated financials.

For Mansaka Ravi & Associates Chartered Accountants FRN 015023C PRC No. 008582

Ravi Mansaka, FCA Partner Membership No. 410816

Date: 06.06.2018 Place: Jaipur



# NOTE-1 RESTATED CONSOLIDATED STATEMENT OF SHARE CAPITAL

(Amount in Lakhs)

	(7 11110	diff in Editins)
	As At	
	January 31,	March 31,
Particulars	2018	2017
(a) Number and Amount of Authorized Share Capital		
Number of Equity Share of Rs. 10 each	100.00	50.00
Total Authorized Equity Capital	1000.00	500.00
Number of Preference Share of Rs. 10 each		
Total Authorized Preference Capital		
Total Authorized Share Capital	1000.00	500.00
(b) Issued, Subscribed & Paid-up Capital		
Equity Share Capital	426.59	403.09
Preference Share Capital		
Total	426.59	403.09
(c) Reconciliation of Number of Shares outstanding at the beginning and at the		
end of the reporting period		
Opening number of equity shares outstanding	40.31	37.31
Add: Equity Shares issued during the year	2.35	3.00
Add: Bonus Shares issued during the year	0.00	0.00
Closing Number of Equity Shares Outstanding	42.66	40.31
		1

- (d) The rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital.
- (i) The Company has one class of Equity shares having a par value of Rs. 10 per share. Each Share holder is eligible for one vote per share held.
- (ii) All Equity Shareholders are eligible to receive dividends in proportion to their shareholdings.
- (iii) The dividends proposed by the Board of Directors are subject to the approval of the Shareholders in the ensuing Annual General Meeting.
- (iv) In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their share holding.

(e) Shareholders holding more than 5% of shares of the Company

Name of Shareholder	January 31, 2018	March 31, 2017
Manro Finance & Traders Private Limited	8.41	7.91
Bhavsagar Commodities Private Limited	8.40	7.92
Shanti Prasad Fomra	3.03	3.03
Shree Ballabh Fomra	2.17	2.17
Panabai Fomra	0.00	0.00
Balgopal Commodeal Private Limited	8.43	7.93

- (f) As the company is not a subsidiary of any Company, its shares are not held by any holding or ultimate holding company.
- (g) There are no shares reserved for issue under options and contracts or commitments for the sale of shares or disinvestment.
- (h) There are no shares which were allotted (i) pursuant to contracts without payment being received in cash.
- (i) During the reporting period, Company has not alloted/issued bonus shares.
- (j) There are no securities which are convertible into equity/preference shares.
- (k) There are no calls which are unpaid.
- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.



# NOTE-2 RESTATED CONSOLIDATED STATEMENT OF RESERVES & SURPLUS

(Amount in Lakhs)

	As	At
Particulars	January 31, 2018	March 31, 2017
(a) Securities Premium Reserve		
Balances at the beginning of the reporting period	2270.89	2000.89
Changes in accounting policy or prior period errors		
Restated balance at the beginning of the reporting period	2270.89	2000.89
Securities Premium received during the year	211.50	270.00
Any other Change (to be specified)		
Balance at the end of the reporting period	2482.39	2270.89
(b) Retained Earnings		
Balances at the beginning of the reporting period	2538.52	1889.32
Changes in accounting policy or prior period errors		
Restated balance at the beginning of the reporting period	2538.52	1889.32
Profit/(Loss) during the year as per profit and loss account	897.61	649.38
Less: Dividends Distributed During the Year	0.00	0.00
Less: Transitional Adjustment as per Companies Act, 2013	0.00	0.00
Less: Goodwill on Consolidation	0.00	0.18
Balance at the end of the reporting period	3436.14	2538.52
TOTAL OF RESERVES & SURPLUSES	5918.53	4809.41

- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. Company is does not having any Revaluation Reserve.
- 3. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

NOTE - 3 RESTATED CONSOLIDATED STATEMENT OF LONG TERM BORROWINGS

(Amount in Lakhs)

Particulars	As	At
Paruculars	January 31, 2018	March 31, 2017
Secured Loans		
(a) Bonds or debentures;		
(b) Term Loans		
(i) from Banks;	29.35	23.71
(ii) from other parties		
(c) Deferred payment liabilities		
(d) Deposits;		
(e) Loans and advances from Related Parties;		
(f) Long term maturities of finance lease obligations		
(g) Other Loans and advances		
Unsecured Loans		
(a) Term Loans	0.00	0.00
(b) Other Loans	400.94	915.85
Total	430.29	939.55

Notes:



- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. The above statement should be read with the significant accounting policies and notes to restated summary, statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.
- 3. List of persons/entities classified as 'Related Parties' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.
- 4. The terms and conditions and other information in respect of Secured Loans as on 31.01.2018 are given in Annexure -3(A) & in respect of unsecured loans are given in Annexure-3(B)

# NOTE - 3(A) RESTATED CONSOLIDATED STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS AND ASSETS CHARGED AS SECURITY

(Amount in Lakhs)

Outstandi Outstandi

Name of Lender	Purpose	Loan/Agreeme nt A/c No.	Sanction ed Amount	Rate of intere st	Re- Payme nt Schedu le	Mora - toriu m	Primary & Collater al Security	Outstandi ng amount as on March 31, 2017 as per Restated Accounts	Outstandi ng amount as on January 31, 2018 as per Restated Accounts
Secured Loa									
Canara Bank	Loan for Machinery	773000376	150.00	12.40 %	EMI	NIL	Machine ry	45.08	20.03
HDFC Bank	Car Loan- XUV	33511693	15.00	10.00	EMI	NIL	Motor Vehicle	6.74	-
HDFC Bank	Car Loan- Audi	28955688	25.00	13.80	EMI	NIL	Motor Vehicle	4.08	-
ICICI Bank	Car Loan- Honda City	33988989	10.00	9.99%	EMI	NIL	Motor Vehicle	6.45	3.65
Union Bank of India	Car Loan- Sumo	₹436906520014 112	6.70	10.70 %	EMI	NIL	Motor Vehicle	5.06	4.35
Audi Financial Services	Car Loan- Audi	20171113771	25.00	8.00%	EMI	NIL	Motor Vehicle	0.00	12.31
Kotak Mahindra Bank	Car Loan-Kotak	CF-14445943	15.00	8.10%	EMI	NIL	Motor Vehicle	0.00	22.84
Canara Bank	Cash Credit	5261010116	4000.00	MCL R + 2.70%	on Deman d	NIL		3968.54	3887.43
Union Bank of India	Demand Loan	5010031051	2475.00	MCL R + 2.65%	on Deman d	NIL	As mention	2096.49	2498.03
Karnataka Bank	Overdraft Facility	600004201	2025.00	MCL R + 2.25%	on Deman d	NIL	ed below	1688.97	2081.74
Punjab National Bank	Cash Credit	2100235840	500.00	MCL R + 2.25%	on Deman d	NIL		-	462.03
TOTAL								7821.40	8992.42



1. Primary & Collateral Securities

· ·	Collateral Securitic  Primary				
Loan From and Type	Security	Collateral Security			
KBL, PNB, UBI,	First pari passu	KBL PNB UBI Canara			
CANARA	charge with	First Pari passu charge with other working capital lenders on the following properties			
	other working	/ securities :			
	capital lenders	Hypothecation of plant and machineries and other movable /non movable assets of the			
	over entire	Company.			
	current assets	Cerm Deposit with Canara Bank amounting to Rs. 229 Lakh- For All			
	(present and future) of the	EM by way of deposit of title deeds of office space situated at Room No. 21, ground floor,			
	Company	Swaika Centre, 4A Pollock Street, P.S. Bowbazar, Kolkata-001, measuring 475 sq fts belonging to the Company.			
	including stocks	EM by way of deposit of title deeds of leased residential flat property situated at unit no.			
	of raw	C/K-06 on 2nd Floor, KMDA Housing Complex, Bidhan Nagar, Sourav Abasan in Plot No.			
	materials, WIP	EE-184, Sector II, Salt Lake City, Kolkata-700091 measuring 720.45 sq fts (carpet area)			
	and finished	with one parking space belonging to Mr. Ballabh Fomra.			
	goods,	EM by way of deposit of title deeds of office space situated at Room No. 506, on fifth			
	consumables,	floor, Swaika Centre, 4A Pollock Street, P.S. Bowbazar, Kolkata-001, measuring 711 sq fts			
	spares,	belonging to the Company.			
	receivables, etc	EM by way of deposit of title deeds of commercial space situated at Unit No. 3FA on the			
	and book debt	1st Floor, Plot No. BG-12 in action area 1B, New Town Rajarhat, District 24 Parganas			
	of the Company	(North), Kolkata, measuring 2500 sq fts belonging to the Company.			
		EM by way of deposit of title deeds of commercial space situated at Unit No. 3B & 3C on			
		the 1st Floor, Plot No. BG-12 in action area 1B, New Town Rajarhat, District 24 Parganas			
		(North), Kolkata, measuring 6893 sq fts belonging to the Company.  EM by way of deposit of title deeds of office space situated at Room No. 507 on fifth floor,			
		Swaika Centre, 4A Pollock Street, P.S. Bowbazar, Kolkata-001, measuring 684 sq fts			
		belonging to the Company.			
		EM of Commercial property on the first floor of Plot No. BG 12, New Town Rajarhat,			
		Kolkata standing in the name of the Holistic Properties Private Company.			
		EM by way of deposit of title deeds			
		of factory land and building situated			
		at Sankrial Industrial Estate, near			
		Bombay Road (NH-6), Village			
		Bhagabatipur, PO Kanduah, PS			
		Sankrial, DistHowarh (land			
		measuring 45.42 Cottah and building measuring 5214 sq fts and			
		factory shed measuring 18969 sq fts,			
		belonging to the Company.			
		EM by way of deposit of title deeds			
		of factory land and building situated			
		at Sankrial Industrial Estate, near			
		Bombay Road (NH-6), Village			
		Bhagabatipur, PO Kanduah, PS			
		Sankrial, DistHowarh (land			
		measuring 64.39 Cottah and factory			
		shed measuring 31490 sq fts,			
		Mouza Jaladhulagari, JL No -02, PS Sankrial, Dist			
		Howarh.			



			EMT of Factory Land and Building at Dhulagarh		
			Industrial Park in the name of Mr. Rashmi Fomra,		
			Shashikala Fomra, Rajkumari Fomra and Priti		
			Fomra, bearing Deed No. 2056, 2973, 2782, 2976,		
			Khaitan No. 237 & 1349 area 75.07 decimals.		
			Emt of Factory Land and Building in the name of		
			M/s Radhika Transmisison Private Limited at		
			Sankrial Industrial Park, Vill Bhagwati pur, Dist		
			Howrah, Kolkata, bearing Khaitan No. 569, 572,		
			237 and 75, area 124.50 decimals.		
Personal	1. Mr. Shree Ballabh				
Guarantees	2. Mr. Madan Mohan	Fomra			
	3. Mr. Vijay Kumar F	Fomra			
	4. Mrs. Rashmi Fomr	a			
	5. Mrs. ShashiKala Fomra				
	6. Mrs. Priti Fomra				
	7. Mrs. Raj Kumari F	omra			
Corporate	M/s Radhika Transmi	ission Private Lir	nited		
Guarantees	M/s Holistic Propertie	es Private Limite	d		
	_		M/s Manro		
			Finance &		
			Traders Pvt Ltd		
			M/s Balgopal		
			Comodeal Pvt		
			Ltd.		
			M/s Bhavsagar		
			Commodities		
			Pvt Ltd.		

- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. The above statement should be read with the significant accounting policies and notes to restated summary, statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

# ${\color{blue} NOTE\ 3(B)}$ RESTATED CONSOLIDATED STATEMENT OF TERMS & CONDITIONS OF UNSECURED LOANS

(Amount in Lakhs)

A) Details of Unsecured Loans outstanding as at the end of the latest Reporting period from Directors/Promoters/Group Companies and others

Unsecured Loans from Directors/Promoters/Group Companies and other Companies are repayable on demand and as per rate of interest as mentioned below:-

Name of Lender	Rate of interest	Re-Payment Terms	As on January 31, 2018	As on March 31, 2017
(A)From Related Parties				
From Directors	12%	On Demand	101.92	49.03
From Shareholders	12%	On Demand	10.07	0.00
From Body Corporates	12%	On Demand	17.65	439.82
Total (A)			129.64	488.85
(B) Loan From Others				



From Banks (Channel Finance)		As per Terms	1512.35	1514.03
From Financial Institutions (Channel & Dealer Finance)		As per Terms	777.48	461.67
From Other Body Corporates	12%	On Demand	271.30	427.00
Total (B)			2561.13	2402.70
Grand Total (A+B)			2690.77	2891.55

- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. The above statement should be read with the significant accounting policies and notes to restated summary, statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

# NOTE - 4 RESTATED CONSOLIDATED STATEMENT OF DEFERRED TAX (ASSETS) / LIABILITIES

(Amount in Lakhs)

Particulars	For the ten month period Ended	For the Year ended
	<b>January 31, 2018</b>	March 31, 2017
Opening Balance (A)		
Opening Balance of Deferred Tax (Asset) / Liability	6.71	14.73
Current Year Provision (B)		
(DTA) / DTL on Depreciation	30.51	(5.94)
(DTA) / DTL on Provision for Gratuity/Carry Forward Losses	2.66	2.09
Closing Balance of Deferred Tax (Asset) / Liability (A+B)	34.56	6.71

Notes: 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the significant accounting policies and notes to restated summary statement of profit and loss account and cash flows statement as appearing in Annexures IV, I, I and IIII.

# NOTE-5 RESTATED CONSOLIDATED STATEMENT OF OTHER LONG TERM PROVISIONS

(Amount in Lakhs)

PARTICULARS	As At		
TARTICULARS	January 31, 2018	March 31, 2017	
Provision for Employee Benefits			
Provision For Gratuity	29.82	22.39	
Others			
Total	29.82	22.39	

#### Notes

- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

# NOTE-6 RESTATED CONSOLIDATED STATEMENT OF SHORT TERM BORROWINGS

Particulars	As At		
rai ucuiais	January 31, 2018 March 3		
Secured			
(a) Loans Repayable on Demand			
(i) from Banks;	8929.23	7754.00	
(ii) Financial Institutions	0.00	0.00	



(b) Loans and advances from Related Parties;	0.00	0.00
(c) Deposits	0.00	0.00
(d) Others Loans and advances	0.00	0.00
Unsecured		
(a) Loans Repayable on Demand		
(i) from Banks;	1512.35	1514.03
(ii) from Financial Institutions	777.48	461.67
(b) Loans and advances from Related Parties;	0.00	0.00
(c) Deposits	0.00	0.00
(d) Others Loans and advances	0.00	0.00
Total	11219.06	9729.69

- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. The above statement should be read with the significant accounting policies and notes to restated summary, statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.
- 3. List of persons/entities classified as 'Promoters' and 'Promoter Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.
- 4. The terms and conditions and other information in respect of Secured Loans as on 31.01.2018 are given in Annexure 3(A) & 3(B)

# NOTE-7 RESTATED CONSOLIDATED STATEMENT OF TRADE PAYABLES

(Amount in Lakhs)

PARTICULARS	As At		
PARTICULARS	January 31, 2018	March 31, 2017	
(A) total outstanding dues of micro enterprises and small enterprises; and	0.00	0.00	
(B) total outstanding dues of creditors other than micro enterprises and small enterprises as below:-			
Sundry Creditors for Goods	15655.90	11313.00	
Sundry Creditors for Expenses	1771.19	1643.65	
Sundry Creditors for Others	0.00	71.54	
Total	17427.09	13028.19	

#### Notes

- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.
- 3. Amount due to entities covered under Micro, Small and Medium Enterprises as defined in the Micro, Small, Medium Enterprises Development Act, 2006, have been identified on the basis of information available with the Company. There was no amount due to any such entities which needs to be disclosed separately in terms of requirement of Schedule II to the Companies Act, 2013.

# NOTE-8 RESTATED CONSOLIDATED STATEMENT OF OTHER CURRENT LIABILITIES

PARTICULARS	A	s At
PARTICULARS	January 31, 2018	March 31, 2017
Current Maturity of Long Term Debts	33.84	43.70
Advance from Customers	2950.09	1231.28
Other Liabilities	105.83	269.88



Provision for Tax Liability under IDS	0.00	90.00
Audit Fees Payable	0.25	0.15
Interest Accrued but not due on borrowings	0.20	0.60
Unpaid Installments of Term Loans	0.11	0.11
Provision for CST/Sales Tax Liabilities	0.00	55.96
Total	3090.33	1691.68

- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

# NOTE-9 RESTATED CONSOLIDATED STATEMENT OF SHORT TERM PROVISIONS

(Amount in Lakhs)

DADTICIII ADC	As At				
PARTICULARS	January 31, 2018	March 31, 2017			
Provision for Gratuity	5.89	5.29			
Provision for Leave Encashment	0.00	0.00			
Provision for Taxation (Net)	83.11	15.69			
Provision made for Previous Year	0.00	0.00			
Provision for TDS Defaults as per 26AS	31.52	30.97			
Total	120.53	51.95			

#### Notes

- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

 ${\bf NOTE-10} \\ {\bf RESTATED\ CONSOLIDATED\ STATEMENT\ OF\ PROPERTY,\ PLANT\ \&\ EQUIPMENT}$ 

2016-17	G	Gross Carrying Amount			Gross Carrying Amount Depreciation			Depreciation			Net Carryi ng Amoun t
PARTICULARS	As on April 01, 2016	Additio ns During the Year	Deletio n / Dispos al During the Year	As on Marc h 31, 2017	Accumulat ed Depreciati on as on April 01, 2016	Depreciati on During the Year	Deducti on During the Year	Accumulat ed Depreciati on as on March 31, 2017	As on March 31, 2017		
Computers and Printers	63.39	13.70	0.00	77.08	43.67	14.62		58.29	18.80		
Electrical Installations	62.25	0.00	0.00	62.25	45.96	5.07		51.03	11.22		
Factory Buildings	228.68	33.85	0.00	262.52	101.00	12.72		113.72	148.80		
Four Wheelers	150.67	0.00	13.77	136.90	81.49	21.64	12.62	90.51	46.39		
Furniture and	14.53	3.07	0.00	17.60	6.62	2.17		8.79	8.81		



Fixtures									
Heavy Vehicles	20.10	0.00	0.00	20.10	16.81	1.05		17.86	2.24
Lab Equipments	0.90	0.00	0.00	0.90	0.69	0.07		0.76	0.14
Land	172.41	0.00	0.00	172.41	0.00	0.00		0.00	172.41
Office Building	593.25	0.00	0.00	593.25	31.31	27.36		58.68	534.57
Office Equipments	26.52	3.00	0.00	29.52	22.23	2.23		24.47	5.05
Plant and Machinery	977.66	28.62	16.02	990.26	434.58	103.22	11.63	526.18	464.08
Two Wheelers	10.38	11.78	0.00	22.16	2.81	3.11		5.93	16.23
Total	2320.7 4	94.01	29.79	2384.9	787.18	193.28	24.25	956.21	1428.75

April 01, 2017 to January 31, 2018	Gi	ross Carry	ring Amo	unt	Depreciation				Net Carryi ng Amou nt
PARTICULARS	As on April 01, 2017	Additi ons During the Year	Deleti on / Dispo sal Durin g the Year	As on Janua ry 31, 2018	Accumul ated Depreciat ion as on April 01, 2017	Depreciat ion During the Year	Deduct ion During the Year	Accumul ated Depreciat ion as on January 31, 2018	As on Janua ry 31, 2018
Computers and Printers	77.08	10.38	0.00	87.47	58.29	11.82		70.11	17.36
Electrical Installations	62.25	0.00	0.00	62.25	51.03	2.62		53.65	8.59
Factory Buildings	262.5 2	281.26	0.00	543.7 9	113.72	14.14		127.86	415.93
Four Wheelers	136.9 0	55.28	17.99	174.1 9	90.51	18.66	8.94	100.23	73.96
Furniture and Fixtures	17.60	9.36	0.00	26.96	8.79	3.21		12.00	14.97
Heavy Vehicles	20.10	0.00	0.00	20.10	17.86	0.60		18.46	1.64
Lab Equipments	0.90	0.00	0.00	0.90	0.76	0.04		0.79	0.11
Land	172.4 1	0.00	0.00	172.4 1	0.00	0.00		0.00	172.41
Office Building	593.2 5	1.74	0.00	594.9 9	58.68	21.79		80.47	514.52
Office Equipments	29.52	7.26	0.00	36.78	24.47	3.34		27.81	8.97
Plant and Machinery	990.2 6	326.76	0.00	1317. 02	526.18	94.34		620.52	696.50
Two Wheelers	22.16	21.83	0.00	43.99	5.93	6.42		12.35	31.65
Total	2384. 96	713.89	17.99	3080. 85	956.21	176.98	8.94	1124.25	1956.6 1

- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.



# NOTE-11 RESTATED CONSOLIDATED STATEMENT OF INTANGIBLE ASSETS

(Amount in Lakhs)

PARTICULARS	As	At
PARTICULARS	January 31, 2018	March 31, 2017
I. Intangible Assets		
(a) Software's		
Opening Gross Carrying Amount	4.50	4.50
Add: Additions During the Year		
Closing Gross Carrying Amount	4.50	4.50
Opening Accumulated Amortization	1.40	0.50
Add: Amortization During the Year	0.75	0.90
Closing Accumulated Amortization	2.16	1.40
Opening Net Carrying Amount	3.10	4.00
Closing Net Carrying Amount	2.34	3.10
(b) Goodwill created on Acquisition of Partnership Firm		
Opening Gross Carrying Amount	8.13	8.13
Add: Additions During the Year		
Closing Gross Carrying Amount	8.13	8.13
Opening Accumulated Amortization	8.13	8.13
Add: Amortization During the Year	0.00	
Closing Accumulated Amortization	8.13	8.13
Opening Net Carrying Amount	0.00	0.00
Closing Net Carrying Amount	0.00	0.00
(c) Goodwill on Consolidation	0.23	0.23
Total Closing Values (Consolidated)	2.57	3.33

#### Notes

- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

# NOTE - 12 RESTATED CONSOLIDATED STATEMENT OF CAPITAL WORK-IN-PROGRESS

(Amount in Lakhs)

DADTICUI ADC	As At			
PARTICULARS	January 31, 2018	March 31, 2017		
Opening Carrying Amount	508.49	310.04		
Add: Additions During the Year	55.01	198.45		
Less: Deletion/Adjustments During the Year	563.50	0.00		
Closing Carrying Amount	0.00	508.49		

Notes

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.



2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

# NOTE-13 RESTATED CONSOLIDATED STATEMENT OF NON-CURRENT INVESTMENTS

(Amount in Lakhs)

		(Amount in Lakiis)			
PARTICULARS	As At				
PARTICULARS	January 31, 2018	March 31, 2017			
(a) Investment in Equity Instruments					
-					
Terminus Owners Association - Unquoted Equity Shares	0.01	0.01			
(b) Others					
Advance for Purchase of Investments (Shares)	226.00	0.00			
Total	226.01	0.01			
Aggregate amount of quoted investments;	0.00	0.00			
Aggregate amount of unquoted investments; and	226.01	0.01			
Aggregate provision made for diminution in value of investments	0.00	0.00			

#### Note-:

- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

# NOTE - 14 RESTATED CONSOLIDATED STATEMENT OF LONG TERM LOANS & ADVANCES

(Amount in Lakhs)

PARTICULARS	As A	<b>At</b>	
PARTICULARS	January 31, 2018	March 31, 2017	
Secured, considered good;			
Advance against Capital Goods	25.45	0.00	
Security Deposits	136.30	128.86	
Total	161.90	128.98	

# Note-:

- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

# NOTE-15 RESTATED CONSOLIDATED STATEMENT OF INVENTORIES

PARTICULARS	As At			
FARTICULARS	January 31, 2018	March 31, 2017		
Raw Material	458.24	1267.40		
Work in Progress/ Semi Finished Goods	3795.24	2236.49		
Finished Goods	354.00	222.15		
Erection WIP	961.74	409.13		
Scrap	4.52	15.19		
Stock-in-Trade	1788.93	736.49		
Stores, Spares & Tools	52.45	42.27		



Immovable Property	224.20	224.20
Total	7639.31	5153.32

#### Note-:

- 1. As per Management Explanation, Inventory has been physically verified by the management of the Company at the end of respective year.
- 2. Inventory is valued in terms of Accounting Standard 2 in which market value of the inventories are determined and certified by the management.
- 3. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 4. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

# NOTE - 16 RESTATED CONSOLIDATED STATEMENT OF TRADE RECEIVABLES

(Amount in Lakhs)

DA DENOVITA DO	As At		
PARTICULARS	January 31, 2018	March 31, 2017	
Outstanding for a period exceeding 6 Months			
Secured, Considered Good			
Debts due by Directors, Officer, jointly or severally with any other person			
or debts due by firms or private companies in which director is a partner			
or director or member			
Others	10718.77	6166.00	
Unsecured, considered Good			
Debts due by Directors, Officer, jointly or severally with any other person			
or debts due by firms or private companies in which director is a partner			
or director or member			
Others			
Outstanding for a period not exceeding 6 Months			
Secured, Considered Good			
Debts due by Directors, Officer, jointly or severally with any other person			
or debts due by firms or private companies in which director is a partner			
or director or member			
Others	11797.18	11527.91	
Unsecured, considered Good			
Debts due by Directors, Officer, jointly or severally with any other person			
or debts due by firms or private companies in which director is a partner			
or director or member			
Others			
Total	22515.95	17693.91	

#### Note-:

- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

# ${\bf NOTE-17}$ RESTATED CONSOLIDATED STATEMENT OF CASH & CASH EQUIVALENTS

PARTICULARS	As At		
PARTICULARS	January 31, 2018 March 31, 201'		
(a) Balances with Banks			
In Current Accounts	49.88	-18.38	



FD against Margin Money/Collateral Security	4310.55	4054.65
(b) Cheques, drafts on hand		
(c) Cash on Hand	39.14	23.11
(d) Others		
Total	4399.57	4059.39

**Note: Disclosure of Specified Bank Notes** 

During the year, the company had Specified Bank Notes (SBN) or Other Denomination Notes as defined in the MCA notification G.S.R. 308(E) dated March 30, 2017 on details of SBN held and transacted during the period from 8 November 2016 to 30 December 2016, the denomination wise SBNs and other notes as per the notification is given below:

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	45.50	10.43	55.93
(+) Permitted receipts	0.00	26.00	26.00
(-) Permitted payments	0.00	30.44	30.44
(+)Non permitted receipts	0.00	0.00	0.00
(+) Amount withdrawn from Bank	0.00	0.00	0.00
(-) Amount deposited in Banks	45.50	0.00	45.50
Closing cash in hand as on 30.12.2016	0.00	5.99	5.99

It is further stated that the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated 8th November, 2016.

#### Note-:

- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

NOTE-18
RESTATED CONSOLIDATED STATEMENT OF SHORT TERM LOANS & ADVANCES

(Amount in Lakhs)

PARTICULARS	As At		
PARTICULARS	January 31, 2018	March 31, 2017	
Unsecured and Considered Good:			
Advance to Suppliers	517.68	576.16	
Other Advances	236.12	118.94	
Prepaid Expenses	333.57	432.24	
Balances with Revenue Authorities (Other than Income-tax)	619.44	545.80	
TDS Receivable for Next Year	0.00	0.80	
Income Tax Refundable	6.95	6.84	
Deposit against IT Demand Under Appeal	81.60	20.40	
Total	1795.36	1701.19	

#### Note-:

- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.



# NOTE-19 RESTATED CONSOLIDATED STATEMENT OF OTHER CURRENT ASSETS

(Amount in Lakhs)

PARTICULARS	As At	
PARTICULARS	January 31, 2018	March 31, 2017
Rent Receivable from M/s Snowtex Tradelink Pvt Ltd	0.00	3.12
Rent Receivable From Related Party	0.60	0.00
Derivatives Assets (Notional Profit/Loss on Holding)	(1.10)	2.18
Total	(0.50)	5.30

#### Note-:

- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

# NOTE - 20 RESTATED CONSOLIDATED STATEMENT OF REVENUE FROM OPERATIONS

(Amount in Lakhs)

Particulars	For the Ten Months period Ended	For the Year ended
	January 31, 2018	March 31, 2017
Revenue from Operations	48741.10	44258.22
Less: Excise Duty	(6590.57)	(3466.09)
Total	42150.53	40792.13

- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

# NOTE - 21 RESTATED CONSOLIDATED STATEMENT OF OTHER INCOMES

(Amount in Lakhs)

Particulars	For the Ten Months period Ended	For the Year ended
	January 31, 2018	March 31, 2017
Interest on Fixed Deposits	204.90	233.98
Interest received from Customers	45.56	53.62
Export Incentive	0.00	0.00
Rental Income	0.60	1.20
Misc. Incomes	0.39	27.26
Total	251.44	316.06

#### Notes:

- 1. The classification of other income as recurring/not-recurring, related/not-related to business activity is based on the current operations and business activity of the Company as determined by the management.
- 2. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 3. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.



# NOTE - 22 RESTATED CONSOLIDATED STATEMENT OF MATERIAL CONSUMED

(Amount in Lakhs)

Particulars	For the Ten Months period Ended	For the year ended on
	January 31, 2018	March 31, 2017
Opening Stock	2003.89	2133.02
Purchase of Materials	36906.49	32691.15
Sub Total	38910.37	34824.17
Less: Closing stock	2247.16	2003.89
Total	36663.21	32820.28

#### Notes:

- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

NOTE - 23
RESTATED CONSOLIDATED STATEMENT OF MANUFACTURING AND OTHER OPERATIONAL EXPENSES

(Amount in Lakhs)

Particulars	For the Ten Months period Ended	For the year ended
	January 31, 2018	March 31, 2017
Job Charges	853.82	1018.24
Carriage Inwards	0.00	0.00
Packing Materials Consumed	487.17	774.55
Stores and Spares	113.68	147.88
Cleaning and Forwarding Expenses	0.00	0.00
Hire Charges	14.68	19.31
Differential Excise Duty on Finished Goods	(26.37)	0.72
Power and Fuel	168.05	196.46
Testing, Caliberation and Inspection Charges	10.84	9.10
Security Charges	47.44	41.56
Repairs to Machinery	14.56	24.59
Repairs to Factory	3.17	7.80
Repairs to Others	16.38	24.86
Rent	11.32	13.57
Total	1714.74	2278.63

### Notes:

- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

# NOTE - 24 RESTATED CONSOLIDATED STATEMENT OF CHANGE IN INVENTORIES OF FINISHED GOODS, WIP AND SCRAP



(Amount in Lakhs)

Particulars	For the Ten Months period Ended January 31, 2018	For the year ended March 31, 2017
Inventory at the end of the Year	4377.97	2698.03
Inventory at the beginning of year	2698.03	2893.68
Increase/decrease in inventory	(1679.94)	195.65

#### Notes:

- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 3. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

# NOTE - 25 RESTATED CONSOLIDATED STATEMENT OF EMPLOYEE BENEFIT EXPENSES

(Amount in Lakhs)

Particulars	For the Ten Months period Ended	For the year ended
	January 31, 2018	March 31, 2017
Salaries and Wages	688.13	456.13
Managerial Remuneration	150.00	60.00
Contribution to PF and other funds	20.92	13.72
Gratuity	8.04	6.31
Staff Welfare Expenses	131.54	138.22
Total	998.63	674.39

#### Notes:

- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

# NOTE - 26 RESTATED CONSOLIDATED STATEMENT OF FINANCE COSTS

(Amount in Lakhs)

Particulars	For the Ten Months period Ended	For the year ended
	January 31, 2018	March 31, 2017
Interest Expenses	2011.63	2109.87
Finance Charges	568.53	429.60
Total	2580.15	2539.47

#### Notes:

- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.



# NOTE - 27 RESTATED CONSOLIDATED STATEMENT OF DEPRECIATION AND AMORTIZATION EXPENSES

(Amount in Lakhs)

Particulars	For the Ten Months period Ended	For the year ended	
	January 31, 2018	March 31, 2017	
Depreciation	176.98	193.28	
Amortization on Intangible Assets	0.75	0.90	
Total	177.73	194.18	

### Notes:

- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

# NOTE - 28 RESTATED CONSOLIDATED STATEMENT OF OTHER EXPENSES

(Amount in Lakhs)

Particulars	For the Ten Months period Ended	For the year ended
1 at ticular 5	January 31, 2018	March 31, 2017
Office Electricity Charges	9.51	10.28
Legal and Consultancy Charges	51.27	26.66
Conveyance	43.19	47.40
Rating Expenses	3.90	2.95
Travelling Expenses	71.12	69.06
Office Maintenance	23.60	28.62
Rent	87.78	66.66
Postage and Telegram	2.20	2.15
Telephone and Communication Expenses	25.50	23.60
Tender Purchase	8.04	21.14
Registration Expenses	0.42	1.04
Printing and Stationery	22.06	12.68
License Fees, Filing fees and rates and Taxes	5.79	9.06
Service tax	36.60	92.74
Professional Tax	0.10	0.13
Advertisement	6.07	7.10
Subscription and Membership Fees	2.86	4.58
Donation	6.54	8.24
Audit fees	3.85	5.40
Motar car Expenses	66.79	53.57
Misc Expenses	70.89	94.21
Insurance Charges	102.07	55.18
Provision for TDS Defaults	0.55	0.88
Outward Freight, Delivery and Handling Charges	(189.94)	127.37
Sales Promotion Expenses including commission	62.92	411.47
Rebate/ Discount	5.87	8.42
Works Contract Tax and cess	130.78	127.02
Sales Tax Assessment	0.29	8.18
Total	660.60	1325.77

#### Notes:

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.



2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

# NOTE - 29 RESTATED CONSOLIDATED STATEMENT OF EXCEPTIONAL ITEMS

(Amount in Lakhs)

Particulars	For the Ten Months period Ended January 31, 2018	For the year ended March 31, 2017
(Profit)/Loss on sale of fixed assets	(1.93)	(14.76)
Loss/(gain) on change in fair value of Derivatives	(42.85)	124.44
Total	(44.77)	109.68

#### Notes:

- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

# ${\color{blue} NOTE - 30} \\ {\color{blue} RESTATED CONSOLIDATED STATEMENT OF RELATED PARTY TRANSACTION} \\$

a)Names of the related parties with whom transaction were carried out during the years and description of relationship:

1)Company/entity owned or significantly influenced by directors/ KMP/individuals owning interest in voting power that gives them significant influence over the enterprise or their relatives

Shree Ballabh Fomra HUF
MM Fomra HUF
VK Fomra HUF
M K Fomra HUF
Shreyash Alu. & Alloys P Ltd
Radhika Transmission P Ltd
Manro Finance and Traders P Ltd
Bhavsagar Commodities Pvt Ltd
Balgopal Commodeals Pvt Ltd
Venkateshwar Concrete Pvt Ltd
M/S SB Fomra & C0.

2)	Key Management Personnel's/Directors	Shree Ballabh Fomra
		Madan Mohan Fomra
		Vijay Kumar Fomra

3)	Relative of Key Management Personnel's:	
		Manish Kumar Fomra
		Nikhita Fomra Chopra
		Shanti Prasad Fomra
		Rajkumari Fomra
		Radhika Fomra
		Siddharth Fomra



Jai Shree Gandhi
Pana Bai Fomra
Priti Fomra
Rashmi Fomra
Shashi Kala Fomra
Renu Kothari
Chandra Kanta Lakhotia
Shree Kishan Rathi
Amit Mohta
Mukund Lal Rathi

Sr. No.	Nature of Transaction		
110.		January 31, 2018	March 31, 2017
1	Shree Ballabh Fomra	3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3	
	Opening Balance {Cr./(Dr)}	38.12	29.77
	Remuneration	50.00	24.00
	Loan Taken	9.00	22.50
	Interest on loan	3.68	4.84
	Loan Repaid	3.93	18.98
	Amount Repaid/Adjusted	33.32	24.00
	Closing Balance {Cr./(Dr)}	63.55	38.12
2	Madan Mohan Fomra		
	Opening Balance {Cr./(Dr)}	7.37	11.13
	Remuneration	50.00	18.00
	Loan Taken	17.50	4.38
	Interest on loan	2.07	1.53
	Loan Repaid	3.02	9.68
	Amount Repaid/Adjusted	32.60	18.00
	Closing Balance {Cr./(Dr)}	41.32	7.37
3	Vijay Kumar Fomra		
	Opening Balance {Cr./(Dr)}	3.54	6.77
	Remuneration	50.00	18.00
	Loan Taken	27.50	0.64
	Interest on loan	1.76	0.72
	Loan Repaid	1.68	4.59
	Amount Repaid/Adjusted	39.64	18.00
	Closing Balance {Cr./(Dr)}	41.48	3.54
4	Manish Kumar Fomra		
-	Opening Balance {Cr./(Dr)}	0.46	0.00
	Remuneration	36.00	8.40
	Loan Taken	10.00	0.00
	Interest on loan	0.07	0.00
	Loan Repaid	0.00	0.00
	Loan Given	0.00	0.03
	Loan repayment received	0.00	0.03
	Amount Repaid/Adjusted	32.26	7.94
	Closing Balance {Cr./(Dr)}	14.27	0.46



Nikhita Famra Chanra		
	0.00	0.00
	0.00	10.00
	0.00	0.00
	I I	0.00
		0.00
		0.22
		0.22
	0.00	10.00
	0.00	0.00
Closing Bulance (Cl./(Bl/))	0.00	0.00
Rai Kumari Fomra		
	0.00	0.00
		0.00
		0.00
		0.00
	I I	0.00
	I I	0.15
		0.15
		0.00
		0.00
Closing Bulance (Cl./(Bl/)	0.00	0.00
Shree Rallahh Fomra HUF		
	0.00	0.00
		1.44
		0.00
		0.00
		0.00
		0.16
		0.16
		1.44
		0.00
( (	3,122	
M/s SB Fomra & Co.		
	0.00	0.00
		0.00
	I I	0.00
*		0.03
	0.01	0.03
	0.00	0.00
M K Fomra HUF		
Opening Balance {Cr./(Dr)}	0.00	0.00
Loan Taken	0.00	0.00
Interest on loan	0.00	0.00
Loan Repaid	0.00	0.00
Loan Given	0.00	0.20
Loan repayment received	0.00	0.20
Closing Balance {Cr./(Dr)}	0.00	0.00
MM Fomra HUF		
Opening Balance {Cr./(Dr)}	0.00	0.00
Loan Taken	0.00	0.00
	Opening Balance {Cr./(Dr)} Loan Taken Interest on loan Loan Repaid Loan Given Loan repayment received Closing Balance {Cr./(Dr)}  MM Fomra HUF Opening Balance {Cr./(Dr)}	Opening Balance {Cr./(Dr)}   0.00



	Interest on loan	0.00	0.00
	Loan Repaid	0.00	0.00
	Loan Given	0.00	4.50
		0.00	4.50
	Loan repayment received  Closing Balance {Cr./(Dr)}	0.00	
	Closing Balance {Cr./(Dr)}	0.00	0.00
11	VK Fomra HUF		
	Opening Balance {Cr./(Dr)}	0.00	0.00
	Loan Taken	0.00	0.00
	Interest on loan	0.00	0.00
	Loan Repaid	0.00	0.00
	Loan Given	0.00	0.20
	Loan repayment received	0.00	0.20
	Closing Balance {Cr./(Dr)}	0.00	0.00
12	Shanti Prasad Fomra	0.00	0.00
	Opening Balance {Cr./(Dr)}	0.00	0.00
	Loan Taken	0.00	0.00
	Interest on loan	0.00	0.00
	Loan Repaid	0.00	0.00
	Loan Given	0.00	0.15
	Loan repayment received	0.00	0.15
	Closing Balance {Cr./(Dr)}	0.00	0.00
13	Shreyash Alu & Alloys (P) Ltd		
10	Opening Balance {Cr./(Dr)}	1834.74	1614.65
	Job Work Charges (Gross)	689.62	867.66
	Raw Material Purchased	3790.64	2513.32
	Loan Taken	891.80	2247.59
	Sales	34.66	607.59
	Amount Repaid/Adjusted	4328.03	4800.89
	Closing Balance {Cr./(Dr)}	2844.11	1834.74
14	Radhika Fomra		
	Opening Balance {Cr./(Dr)}	0.22	0.00
	Remuneration	8.00	9.60
	Loan Taken	0.00	0.00
	Interest on loan	0.00	0.00
	Loan Repaid	0.00	0.00
	Loan Given	0.00	0.15
	Loan repayment received	0.00	0.15
	Amount Repaid/Adjusted	5.94	9.38
	Closing Balance {Cr./(Dr)}	2.28	0.22
15	Radhika Transmission Pvt Ltd		
10	Opening Balance {Cr./(Dr)}	237.59	29.98
	Job Work Charges (Gross)	270.49	146.13
	Raw Material Purchased	539.15	368.95
	Loan Taken	92.55	269.20
	Factory Rent	9.68	9.68
	Sales	34.66	607.59
	Loan repayment received	0.00	0.00
	Amount Repaid/Adjusted	930.46	(21.25)
	1 milouiti reputu/1 tujusteu	750. <del>T</del> 0	(21.23)



	Closing Balance {Cr./(Dr)}	184.33	237.5
16	Siddharth Fomra	0.00	0.0
	Opening Balance {Cr./(Dr)}	0.00	0.0
	Loan Taken	0.00	0.0
	Interest on loan	0.00	0.0
	Loan Repaid	0.00	0.0
	Loan Given	0.00	0.1
	Loan repayment received	0.00	0.1
	Closing Balance {Cr./(Dr)}	0.00	0.0
17	Priti Fomra		
	Opening Balance {Cr./(Dr)}	0.00	0.0
	Lease Rent	0.00	0.0
	Loan Taken	0.00	0.0
	Interest on loan	0.00	0.0
	Loan Repaid	0.00	0.0
	Loan Given	0.00	0.1
	Loan repayment received	0.00	0.1
	Amount Repaid/Adjusted	0.00	0.0
	Closing Balance {Cr./(Dr)}	0.00	0.0
18	Rashmi Fomra		
	Opening Balance {Cr./(Dr)}	0.00	0.0
	Lease Rent	0.00	0.0
	Loan Taken	0.00	0.0
	Interest on loan	0.00	0.0
	Loan Repaid	0.00	0.0
	Loan Given	0.00	0.1
	Loan repayment received	0.00	0.1
	1 7	0.00	0.1
	Amount Repaid/Adjusted Closing Balance {Cr./(Dr)}	0.00	0.0
19	Shashi Kala Fomra	0.00	
	Opening Balance {Cr./(Dr)}	0.00	0.0
	Lease Rent	0.00	0.0
	Loan Taken	0.00	0.0
	Interest on loan	0.00	0.0
	Loan Repaid	0.00	0.0
	Loan Given	0.00	0.1
	Loan repayment received	0.00	0.1
	Amount Repaid/Adjusted	0.00	0.0
	Closing Balance {Cr./(Dr)}	0.00	0.0
20	Venkateswar Concrete Pvt Ltd		
	Opening Balance {Cr./(Dr)}	(12.54)	0.0
	Sales	0.00	2.8
	Loan Taken	65.00	0.0
	Loan Repaid	43.26	
	*		0.0
	Loan Given Closing Balance {Cr./(Dr)}	9.20	9.7
		7.20	(12.3
	Manro Finance & Traders Pvt Ltd		



	421.75	293.44
Loan Taken	1318.15	1296.55
Interest on loan	50.44	65.85
Loan Repaid	1821.92	1234.09
Closing Balance {Cr./(Dr)}	(31.58)	421.75
Bhavsagar Commodities Pvt Ltd		
Opening Balance {Cr./(Dr)}	10.34	141.69
Loan Taken	0.00	150.00
Interest on loan	0.59	2.66
Loan Repaid	5.28	284.01
Closing Balance {Cr./(Dr)}	5.65	10.34
Balgopal Commodeal Pvt Ltd		
Opening Balance {Cr./(Dr)}	5.51	30.35
Loan Taken	0.00	0.00
Interest on loan	0.39	3.35
Loan Repaid	1.83	28.18
Closing Balance {Cr./(Dr)}	4.08	5.51
	Interest on loan Loan Repaid Closing Balance {Cr./(Dr)}  Bhavsagar Commodities Pvt Ltd Opening Balance {Cr./(Dr)} Loan Taken Interest on loan Loan Repaid Closing Balance {Cr./(Dr)}  Balgopal Commodeal Pvt Ltd Opening Balance {Cr./(Dr)} Loan Taken Interest on loan Loan Repaid	Interest on loan         50.44           Loan Repaid         1821.92           Closing Balance {Cr./(Dr)}         (31.58)           Bhavsagar Commodities Pvt Ltd         0pening Balance {Cr./(Dr)}           Opening Balance {Cr./(Dr)}         10.34           Loan Taken         0.00           Interest on loan         0.59           Loan Repaid         5.28           Closing Balance {Cr./(Dr)}         5.65           Balgopal Commodeal Pvt Ltd         0pening Balance {Cr./(Dr)}           Loan Taken         0.00           Interest on loan         0.39           Loan Repaid         1.83

- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.
- 3. List Company/entity owned or significantly influenced by directors/ KMP, Key Management Personnel's, and Relative of Key Management Personnel's have been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

NOTE - 31 RESTATED CONSOLIDATED RESTATED STATEMENT OF CONTINGENT LIABILITIES AND COMMITMENTS

(Amount in Lakhs)

	As At		
Particulars	January 31, 2018	March 31, 2017	
Contingent Liabilities			
(a) Claims against the company not acknowledged as debt;			
(b) Guarantees/Letters of Credits excluding financial guarantees;	20136.14	17445.90	
(c) Letters of Credits issued in favour of Suppliers;	3941.56	3014.96	
(d) Matters pending before tax appellate authorities;	1945.45	1236.91	
(e) Corporate Guarantees given by the Company;	795.00	795.00	
(f) Other money for which the company is contingently liable			
Commitments			
(a) Estimated amount of contracts remaining to be executed on capital			
account and not provided for			
(b) Uncalled liability on shares and other investments partly paid			
(c) Other commitments			
Total	26818.15	22492.77	

#### Notes:

- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.



#### NOTE-32 RESTATED CONSOLIDATED STATEMENT OF MANDATORY ACCOUNTING RATIOS

(Amount in Lakhs)

Particulars	As At		
	January 31, 2018	March 31, 2017	
Net Worth	6345.12	5212.50	
Less: Revaluation reserves(if any)	0		
Net Worth (A)	6345.12	5212.50	
Restated Profit after tax	897.61	649.38	
Adjusted Profit after Tax available for equity share holders (B)	897.61	649.38	
Number of Equity Share Outstanding	42.66	40.31	
Weighted average no of Equity shares at the time of end of the year (D)	150.17	144.35	
Current Assets (E)	36349.70	28613.11	
Current Liabilities (F)	31857.01	24501.52	
Face Value per Share (in Rs.)	10.00	10.00	
Restated Basic and Diluted Earning Per Share (Rs.) (B/D) Refer Note 1 given below	5.98	4.50	
Return on Net worth (%) (B/A)	14.15	12.46	
Net asset value per share (A/C)	148.74	129.31	
Adjusted Net asset value per share based on Weighted average number of share (A/D)	42.25	36.11	
Current Ratio (E/F)	1.14	1.17	

#### Note:-

- "1) The ratios have been computed as below:
- (a)(a) The Company has issued bonus shares in the ratio of 5:2 on 07.04.2018 against 42,65,870 equity shares resulting into 1,06,64,675 equity shares of Rs. 10/- each.
- (b) Diluted earnings per share (Rs. ) : Net profit after tax as restated for calculating diluted EPS / Weighted average number of equity shares outstanding at the end of the period or year for diluted EPS
- (c) Return on net worth (%) -: Net profit after tax (as restated) / Net worth at the end of the period or year
- (d) Net assets value per share -: Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year
- 2) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted by the number of equity shares issued during period/year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/year.
- 3) Net worth for ratios mentioned in note 1(c) and 1(d) is = Equity share capital + Reserves and surplus (including, Securities Premium, General Reserve and surplus in statement of profit and loss).
- 4) The figures disclosed above are based on the CONSOLIDATED restated summary statements of the Group.
- 5) The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III."

## NOTE-33 RESTATED CONSOLIDATED STATEMENT OF TAX SHELTER

(Amount in Lakhs)

	As At		
Particulars	January 31, 2018	March 31, 2017	
Profit Before Tax as Restated	1331.61	970.14	
Notional Tax Rates	34.61%	34.61%	
Tax at Notional Rate (A)	460.84	335.75	



Adjustments:		
Permanent Differences (B)		
Interest on Income Tax - Disallowed	1.37	2.84
ESI-PF Delay Payments	0.00	3.91
Interest on Delay Payments of TDS	0.00	1.72
Provision for TDS Defaults	0.55	0.88
Donations		
Other Disallowed Expenses	0.00	4.12
Total (B)	1.92	13.48
Temporary Differences (C)		
Difference between Tax Depreciation and Book	36.38	32.72
Depreciation	30.36	32.12
Gratuity Provisions	8.04	6.31
Profit Loss on Sale of Fixed Assets	(1.93)	(14.76)
Other Adjustments		
Total (C)	42.49	24.27
Net Adjustments (B+C)	44.41	37.75
Tax Liability/(Tax Saving) thereon	15.37	13.06
Current Tax Provision as per Restated Financials	476.21	348.81
Taxation on Extraordinary Items	0.00	0.00
Tax on Profits before Extraordinary Items	476.21	348.81

<sup>1.</sup> The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

# NOTE-34 RESTATED CONSOLIDATED STATEMENT OF CAPITALISATION

(Amount in Lakhs)

	Pre-Issue	Post-Issue*
Particulars	January 31, 2018	r ost-1ssue
Debt		
Short Term Debt	11252.90	XXXX
Long Term Debt	430.29	XXXX
Total Debt	11683.19	XXXX
Shareholders' Fund (Equity)		XXXX
Share Capital	426.59	XXXX
Reserves & Surplus	5918.53	XXXX
Less: Miscellaneous Expenses not w/off	0.00	XXXX
Total Shareholders' Fund (Equity)	6345.12	XXXX
Long Term Debt/Equity	0.07	XXXX
Total Debt/Equity	1.84	XXXX

<sup>\*</sup>The corresponding post issue figures are not determinable at this stage pending the completion of public issue and hence have not been furnished.

## Notes:

- 1. Short term Debts represent which are expected to be paid/payable within 12 months.
- 2. Long term Debts represent debts other than Short term Debts as defined above.
- 3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 31.01.2018.

<sup>2.</sup> The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.



## STATEMENT OF FINANCIAL INDEBTEDNESS

To,

The Board of Directors, Cabcon India Limited 4A Pollock Street, Kolkata.

## Dear Sirs,

Based on the independent examination of Books of Accounts, Audited Financial Statements and other documents of **Cabcon India Limited (Formerly Known as Cabcon India Private Limited)** and further explanations and information provided by the management of the Company, which we believe to be true and correct to the best of our information and belief, the sanction amount of financial indebtedness, principal terms of security for loan and other related details as on 31<sup>st</sup> January, 2018 are mentioned below.

## A. SECURED LOANS

# CONSOLIDATED STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS AND ASSETS CHARGED AS SECURITY

## **FUND BASED LIMITS**

(Amount in Lakhs)

Name of Lender	Purpose	Loan/ Agree- ment A/c No.	Sanc- tioned Amount	Rate of interest	Re- Payment Schedule	Mora- torium	Primary &Collate ral Security	Outstandin g amount as on 31.01.2018 as per Restated Accounts
Secured Loan								
Canara Bank	Loan for Machinery	773000376	150.00	12.40%	EMI	NIL	Machinery	20.03
HDFC Bank	Car Loan- XUV	33511693	15.00	10.00%	EMI	NIL	Motor Vehicle	-
HDFC Bank	Car Loan- Audi	28955688	25.00	13.80%	EMI	NIL	Motor Vehicle	-
ICICI Bank	Car Loan- Honda City	33988989	10.00	9.99%	EMI	NIL	Motor Vehicle	3.65
Union Bank of India	Car Loan- Sumo	₹43690652 -0014112	6.70	10.70%	EMI	NIL	Motor Vehicle	4.35
Audi Financial Services	Car Loan- Audi	2017111- 3771	25.00	8.00%	EMI	NIL	Motor Vehicle	12.31
Kotak Mahindra Bank	Car Loan- Kotak	CF- 14445943	15.00	8.10%	EMI	NIL	Motor Vehicle	22.84
Canara Bank	Cash Credit	526101011 6	4000.00	MCLR + 2.70%	on Demand	NIL		3887.43
Union Bank of India	Demand Loan	501003105 1	2475.00	MCLR + 2.65%	on Demand	NIL	As men- tioned	2498.03
Karnataka Bank	Overdraft Facility	600004201	2025.00	MCLR + 2.25%	on Demand	NIL	below	2081.74
Punjab National Bank	Cash Credit	210023584 0	500.00	MCLR + 2.25%	on Demand	NIL		462.03
TOTAL								8992.42



1. Primary & Collateral Securities

1. Primary & Coll		es I					
Loan From and Type	Primary Security		Collateral Secur	rity			
Karnataka	First pari	Karnataka Bank	Punjab National	Union Bank of	Canara		
Bank, Punjab	passu charge		Bank	India	Bank		
National Bank,	with other	First Pari passu cha	arge with other working		following		
Union Bank of	working	properties / securities :					
India, Canara	capital	Hypothecation of plant	Hypothecation of plant and machineries and other movable /non movable assets of the				
bank	lenders over		Company.				
	entire		vith Canara Bank amounti				
	current		of title deeds of office spa				
	assets	floor, Swaika Centre, 4.	A Pollock Street, P.S. Boy		easuring 475		
	(present and		sqfts belonging to the				
	future) of the	EM by way of deposit of					
	Company	C/K-06 on 2nd Floor, KM					
	including	No. EE-184, Sector II, S	•	_	sq fts (carpet		
	stocks of	area) with one parking spa					
	raw	EM by way of deposit of					
	materials, WIP and	floor, Swaika Centre, 4A		azar, Kolkata-001, mea	suring 711		
	finished	sqfts belonging to the Co					
	goods,	EM by way of deposit of					
	consumables	1st Floor, Plot No. BG-12			24 Parganas		
	, spares,	(North), Kolkata, measuri					
	receivables,	EM by way of deposit of		•			
	etc and book	on the 1st Floor, Plot No					
	debt of the	Parganas (North), Kolkata					
	Company	EM by way of deposit of					
	Company	floor, Swaika Centre, 4A		azar, Kolkata-001, mea	suring 684		
		sqfts belonging to the Co		. N. DC 12 N. T.	D : 1 :		
		EM of Commercial property			vn Kajarnat,		
		Kolkata standing in the na	*	lies Private Company.			
		EM by way of deposit of land and building situate					
		Estate, near Bombay					
		Bhagabatipur, PO Kand					
		Howarh (land measur					
		building measuring 5214					
		measuring 18969 sq					
		Comp					
		EM by way of deposit		-			
		land and building situate					
		Estate, near Bombay					
		Bhagabatipur, PO Kand					
		Howarh (land measuring					
		shed measuring 31490					
		Comp					
			y admeasuring 2101.77 So	ft in the name of	]		
			o. 1439, 1440,1491, 1487				
			t Mouza Jaladhulagari, JL				
			Dist Howarh.	,			
				EMT of Factory Land	d and Building		
				at Dhulagarh Industri	ial Park in the		
				name of Mr. Rash	·		
				Shashikala Fomra,	Rajkumari		



		Í	E1 D.'4' E 1 '		
			Fomra and Priti Fomra, bearing		
			Deed No. 2056, 2973, 2782, 2976,		
			Khaitan No. 237 & 1349 area 75.07		
			decimals.		
			Emt of Factory Land and Building		
			in the name of M/s Radhika		
			Transmisison Private Limited at		
			Sankrial Industrial Park, Vill		
			Bhagwati pur, Dist Howrah,		
			Kolkata, bearing Khaitan No. 569,		
			572, 237 and 75, area 124.50		
			decimals.		
	Personal	1. Mr. Shree Ballabh	Fomra		
	Guarantees	2. Mr. Madan Mohar	n Fomra		
		3. Mr. Vijay Kumar			
		4. Mrs. Rashmi Fo			
		5. Mrs. Shashi Kala	Fomra		
		6. Mrs. Priti For	mra		
		7. Mrs. Raj Kumari	Fomra		
	Corporate	M/s Radhika Transmission I	Private Limited		
	Guarantees	M/s Holistic Properties Pr	ivate Limited		
			M/s Manro Finance		
			& Traders Pvt Ltd		
			M/s Balgopal		
			Comodeal Pvt Ltd.		
			M/s Bhavsagar		
			Commodities Pvt		
			Ltd.		
NT :					

#### Notes:

- 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. The above statement should be read with the significant accounting policies and notes to restated summary, statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

## NON-FUND BASED LIMITS

(Rs. In Lakhs)

Banker	Nature of Facility	Sanctioned Limit	Balance As on 31.01.2018
Canara Bank	Bank Guarantee	12200.00	12158.02
Canara Bank	Letter of Credit	2300.00	2301.20
KBL	Bank Guarantee	1875.00	1873.17
KBL	Letter of Credit	400.00	400.46
PNB	Bank Guarantee	2325.00	2324.66
PNB	Letter of Credit	400.00	400.00
UBI	Bank Guarantee	3800.00	3780.28
UBI	Letter of Credit	900.00	839.90
		24200.00	24077.69

## Other Specific Terms & Conditions attached with Loans:

- 1. The borrower shall submit the monthly stock and book debt statement to the Bank by the 15<sup>th</sup> of subsequent month.
- 2. Book debts for more than 90 days will not be considered for the purpose of Drawing power.
- Cash credit limit to utilize only for working capital purpose for genuine business transactions in which the party deals.



- 4. No diversion of funds to be allowed for non-business transactions or creation of fixed assets.
- Intergroup transactions not are allowed unless and until it is a genuine business transactions in which the party deals.
- 6. The borrower shall not undertake expansion/diversification / modernization without obtaining prior permission of the bank and without proper tie-up of funds. No investment shall be made in associate / allied / intra group concerns without permission of bank.
- 7. The borrower without bank's prior permission should not approach capital market for mobilizing additional resources either in the form of debt or equity.
- 8. The borrower shall deal with banks under consortium arrangement exclusively and shall not open current accounts with any other bank without prior permission.
- 9. The company will not undertake any guarantee or letter of comfort in the nature of guarantee on behalf of any other concern including group companies.
- 10. The borrower cannot declare dividend except out of profits relating to that year after making all due and necessary provisions.
- 11. The borrower shall get external rating from the approved rating agencies based on audited financial statements every year.
- 12. In addition to stock statements, quarterly operating statement shall be submitted. (canara bank)
- 13. Other general terms and conditions.

#### B. UNSECURED LOANS

a) Details of Unsecured Loans outstanding as at the end of the latest Reporting period:

Name of Lender	Rate of interest	Re-Payment Terms	As on 31.01.2018
(A)From Related Parties			
From Directors	12%	On Demand	101.92
From Shareholders	12%	On Demand	10.07
From Body Corporates	12%	On Demand	17.65
Total (A)			129.64
(B) Loan From Others			
From Banks (Channel Finance)		As per Terms	1512.35
From Financial Institutions (Channel & Dealer Finance)		As per Terms	777.48
From Other Body Corporates	12%	On Demand	271.30
Total (B)			2561.13
Grand Total (A+B)			2690.77

## Notes:

- The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2. The above statement should be read with the significant accounting policies and notes to restated summary, statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

For Mansaka Ravi & Associates.

**Chartered Accountants** 

FRN: 015023C PRC No: 008582

Ravi Mansaka, FCA M. No. 410816 Date: 06.06.2018 Place: Jaipur



# MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

You should read the following discussion of our financial condition and results of operations together with our restated financial statements included in the Draft Red Herring Prospectus. You should also read the section entitled "Risk Factors" beginning on page 18 and "Forward Looking Statements" beginning on page 16 which discusses a number of factors, risks and contingencies that could affect our financial condition and results of operations.

The following discussion of our financial condition and results of operations should be read in conjunction with our restated financial statements for the period ended January 31, 2018 and for the fiscal years ended March 31, 2017, 2016, 2015, 2014 and 2013, including the schedules and notes thereto and the reports thereto, which appear in the section titled "Financial Information of the Company" on Page 189 of the Draft Red Herring Prospectus. The financial statements presented and discussed herein have been prepared to comply in all material respects with the notified accounting standards by Companies (Accounting Standards) Rules, 2006 (as amended), the relevant provisions of the Companies Act and SEBI (Issue of Capital and Disclosure Requirements) Regulations. Our fiscal year ends on March 31 of each year. Accordingly, all references to a particular fiscal year/financial year are to the twelve-month period ended on March 31 of that year. The forward-looking statements contained in this discussion and analysis is subject to a variety of factors that could cause actual results to differ materially from those contemplated by such statements.

#### Overview

We are an established ISO 9001-2015 certified Manufacturer, Supplier & Exporter of all types of Aluminum conductors, LT Power & Control and LT AB Cables in the field of Electrical Transmission & Distribution lines. We are currently engaged in the manufacturing and trading of AAC, ACSR, AAAC & all aluminium Conductors and all types of LT XLPE / PVC, LT AB Cables & power cables in India. In 2010, our company has also diversified its operations and established EPC division for execution of turnkey projects for installation of power distribution lines and sub-stations in the field of rural electricity infrastructure & rural household electrification in villages of various states of India under different prodrammes of the Government of India.

Our manufacturing facilities of our company are located at Kolkata and Howrah, West Bengal. We have developed infrastructure that helps our team to manage and carrying out business operations in a precise manner. High speed modern machines for manufacturing of Overhead Conductors and LT Power & Control Cables and LT AB Cables are installed in our manufacturing units. Our company set up its first Conductor unit in the year 1993 at Kolkata. Subsequently, Unit-II was set up in the year 2006 at Dhulagarh Industrial Park, Howrah, West Bengal to cater the growing demands of Conductors with an enhancement & modernization in production facility and adding the range of products for Conductors and LT Cables in all specified varieties. To carter the increasing demand the products of Conductors and LT Cables in all specified varieties.

We are recognised as an established vendor for supply of Conductors & Cables with PGCIL, NTPC, NHPC, DVC, all State Electricity Boards, DISCOMs, Power Utility and almost all EPC contractors viz L&T, Bajaj, Kalpataru Power, Godrej, KEC International, etc. in our Country and other countries overseas. We have been awarded by Power Grid Corporation of India Ltd. as winner, under Category MSME Vendor – Conductors at Felicitations 2018 ceremony at New Delhi on May 25, 2018 for supply of Conductors.

We have successfully commissioned Rural Electrification Projects in the state of Meghalaya, West Bengal, Madhya Pradesh & Bihar (North & South) under different Flagship Programmes of Government of India.

Our revenue from operations (gross) was₹ 41106.99 Lacs (net revenue from operations was ₹ 40792.13Lacs), ₹ 35241.39 Lacs (net revenue from operations was34821.89 Lacs) and ₹ 31388.99 Lacs (net revenue from operations was ₹ 31088.18 Lacs) in fiscals 2017, 2016 and 2015, respectively, in terms of our Restated Financial Statements. The profit after tax of our company as per the restated financial statements for the fiscal 2017, 2016 and



2015 is 649.22 lacs, 457.67 lacs and 383.75 lacs respectively. Over the last 3 years the revenue of our company from operations has grown at the pace of 14.44 %.

## **Certification & Rating:**

- ISO 9001:2015 for Management System Certified by BUREAU VERITAS of India Ltd
- Credit Rating of our Company has been upgraded to BBB (Triple B) by Brickwork rating.

#### Awards & Recognition:

Our company has been awarded with "Certificate of Appreciation" by The Bihar State Power Holding Company Limited, in recognition of Excellence in Performance in Rural Electrification Projects of the Government. A special programme was organized on December 27, 2017 at Patna for this purpose wherein the "Prashasti Patra" was handed over to Mr Madan Mohan Fomra & Mr Vijay Kumar Fomra by Mr. Bijendra Prasad Yadav, the Honourable Power Minister, Government of Bihar.

#### **Our Products & Services**

The product portfolio of our company consists of:-

- 1. Overhead Conductor: Overhead Conductor is used for transmission of electric power through large distance.
- 2. Electric Cable: The Cables are used for transmission of electric power or for use in control units, there are various types of cables based on the type of insulation used namely viz, XLPE, PVC, which are widely used in India. We manufacture LT power & Control cables both of PVC and XLPE.
- **3. Wire Rod**: Wire Rod is fabricated to be used in industries like automobile, engineering, welding, machining, bearings, jewellery and cosmetics. This rod is defined as a hot rolled wire with different diameters that is manufactured on special wire mills or combination wire rod section mills, where it get wounded into coils.
- **4. EPC Projects:** Under the Engineering, Procurement and Construction (EPC) we are entrusted with the responsibility for all the activities from design, procurement, construction, to commissioning and handover of the project to the client. With the growing need for infrastructural development and the focus of the government EPC Project have become significant components of our turnover. We have set up a separate EPC Division exclusively to focus/ handle Trunkey Projects relating to development of Rural Electricity Infrastructure and Electrification under various schemes and yojanas of the Government launched from time to time such as the Rajiv Gandhi Gramin Vidyutikaran Yojana (RGGVY) & Backward Region Grants Fund (BRGF).

## **Our Competitive Strengths**

We believe that the following are our primary competitive strengths:

#### 1. Quality Assurance

Delivering Quality products and making on time delivery is one of our prime objective. We dedicate resources for quality assurance to ensure that quality norms are continually met. We have in house equipments for testing of the product at each step of manufacturing process to ensure that our quality standards are met throughout the process. Further all our products matches up to the customer requirements which are very important for customer satisfaction. The final product manufactured has to undergo a quality check before it is finally packed and dispatch. We also have quality control checks before any consignment of Raw material is accepted since it has a direct impact on the quality of Finished Product. Further, we also take all necessary steps for the maintenance of quality under the EPC projects undertaken by us.

#### 2. Customer Satisfaction

Customer satisfaction is very important for the growth of any business. Our long-standing relationship with our major customers has been one of the most significant factors contributing to our growth. Our commitments to quality and customer service practices have been strong contributing factors to our robust customer relations. Over



the years, we have steadily developed a robust base of customers. Due to our relationship with our customers we have continually received repeat business from many of our customers. This indicates their level of confidence in our ability to deliver our products and services. Because of the trust of our customers we have been able to attain orders from a diverse range of client base.

## 3. Wide range of Products

Our diverse range of cables and conductors is capable to withstand extreme conditions and is made available in different sizes and specifications for catering to the specific needs of our clients. We supply cables across various industries to various organizations of diverse sectors such as- Industrial, Exports, Turnkey projects, Power Distribution Companies; Infrastructure works etc. in India and abroad. We believe that maintaining a diverse portfolio in our business provides us with an opportunity to cater to diverse needs of different customer segment. Apart from the above we are also engaged in the rural electrification projects undertaken by the Government under various schemes for rural electrification.

#### 4. Experienced management team and skilled workforce

Our management team has played a key role in developing our business and we benefit from their leadership and significant experience in Power and Infrastructure industry. Our experienced management and employees haves successfully expanded our business through proper customization under the guidance of our Promoters and thereby increasing our revenues. Our Promoter Directors, Mr. Madan Mohan Fomra, Mr. Vijay Kumar Fomra and Mr. Shree Ballabh Fomra, have vast experience in field of power and infrastructure sector and have in-depth knowledge of the industry in which we operate. Our Promoter Directors are actively involved in our operations and bring to our Company their vision and leadership which we believe has been instrumental in sustaining our business operations. Our Company feels that the strength of any successful organization lies in the experience and guidance of its team leaders and staff alike. We believe that the familiarity and knowledge we have, of the market and regulatory environment assists us in various aspects of our business.

## **Our Strategies**

## 1. Increasing focusing on our EPC business and enhancing execution efficiency.

Our primary focus is to strengthen our market position in India in developing and executing EPC projects in the electrification sector. Over the next few years, we will continue to focus on seeking opportunities to expand our EPC projects in the rural electrification sector. We intend to capitalize on our experience and project execution expertise and continue to selectively pursue EPC projects, both independently and in partnership with other players. We believe that, given the Government's focus on providing electricity to different parts of our country, the sector has high potential for growth and our experience and track record in this business provides us with a competitive advantage in pursuing future opportunities. We intend to continue to focus on efficient project execution by adopting industry best practices and advanced technologies to deliver quality projects to the satisfaction of our clients. We seek to attract and retain qualified personnel and skilled laborers and further strengthen our workforce and provide adequate and skilled manpower to our clients.

#### 2. To Build-up a Professional Organization

We are committed towards building a professional organization. We believe in transparency, commitment and coordination in our work, with our suppliers, customers, government authorities, banks, financial institutions etc. we believe that we have an appropriate mixture of the talent, experience and the sufficient staff for taking care of our day to day operations. We are also committed towards gaining knowledge of the new and improved technologies in order to keep pace with the changes taking place in the market.

## 3. Optimal Utilization of Resources

Our Company constantly endeavours to improve our process, skill up-gradation of our employees, modernization of infrastructure, equipments and methods of processing. We regularly analyze our existing process and to identify the areas of bottlenecks and correct the same in a timely manner. By taking the timely corrective action we can make



optimal utilization of our resources and which will also help us in improving our products & services so as to reap the optimum satisfaction of our clients.

## 4. Long Term Relationship with Clients

Customer satisfaction and Strong long term relationship with the client is key to success for any organization. Our on time delivery and quality product helps us maintain strong relationship with our customers and also gives us competitive against our peers.

## Revenue from Operations from our different products and service

The following table sets forth our revenue from operations from our different products for the periods indicated:

	Revenue from operations (in lakhs)			
Particular	r Fiscal Year 2017		Fiscal Y	ear 2016
	Amount	% of total	Amount	% of total
Overhead Conductors	22152.11	54.30	21730.66	62.41
Electric Cables	5740.47	14.07	5990.87	17.20
EPC Projects	11885.40	29.14	6434.25	18.48
Others	1014.14	2.49	666.10	1.91
Total	40792.13	100.00	34821.89	100.00

#### SIGNIFICANT DEVELOPMENT SUBSEQUENT TO THE LAST FINANCIAL YEAR:-

In the opinion of the Board of Directors of our Company, there have not arisen any circumstances since the date of the last financial statements disclosed in this Draft Red herring Prospectus that materially or adversely affect the operations or profitability of the Company or the Value of its assets or its ability to pay its liability within next twelve months except below changes occurred after Balance Sheet date:-

- **1.** We have appointed Mr. Madan Mohan Fomra as Managing Director of the Company with effect from March 10, 2018.
- **2.** We have appointed Mr. Vijay Kumar Fomra as Whole Time Director of the Company with effect from March 10, 2018.
- **3.** We have changed the designation of Mr. Shree Ballabh Fomra from Executive Director to Chairman and Non-Executive Director of Company with effect from March 10, 2018.
- **4.** The Authorized capital of the company was increased from Rs. 10,00,00,000/- divided into 1,00,00,000 Equity Shares of Rs 10/- each to Rs. 21,00,00,000/- divided into 2,10,00,000 Equity Shares of Rs 10/- vide shareholders resolution dated April 7, 2018.
- **5.** Our company has allotted bonus issue of 1,06,64,675 equity shares of face value of Rs 10/- each in the ratio of 5:2 i.e. Five equity share for Two equity share held on April 13, 2018.
- **6.** Our Company was converted into a Public Limited Company pursuant to Shareholders Resolution passed at the Extra Ordinary General Meeting of the Company held on April 18, 2018 vide a fresh Certificate of incorporation dated May 09, 2018, issued by the Registrar of Companies, Kolkata.
- 7. We have appointed Mr. Sekhar Kumar Halder as Independent Director of the Company with effect from May 26, 2018.
- 8. We have appointed Mrs. Manita Mittal as Independent Director of the Company with effect from May 26, 2018.



- We have appointed Ms. Nikhita Chopra as Chief Financial Officer of the Company with effect from May 24, 2018.
- **10.** We have appointed Mr. Manish Kumar Fomra as Chief Executive Officer of the Company with effect from May 30, 2018.
- 11. We have appointed Mr. Narendra Purohit as Company Secretary & Compliance Officer of the Company with effect from May 30, 2018.
- **12.** We have passed a special resolution in the meeting of shareholders dated May 26, 2018 authorizing the Board of Directors to raise funds by making an Initial Public Offering.

#### FACTORS AFFECTING OUR FUTURE RESULTS OF OPERATIONS:-

Our results of operations could potentially be affected by the following factors amongst others:

- 1. General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
- 2. Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or price.
- 3. Company's ability to successfully implement its growth strategy and expansion plans;
- 4. Factors affecting cable and conductor industry;
- 5. Disruption in supply or increase in prices of Raw Materials;
- 6. Disruption in our Manufacturing facilities
- 7. Changes in laws and regulations relating to the industries/sector in which we operate;
- 8. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
- 9. Materialization of the security risks faced by our business;
- 10. Inability to successfully obtain registrations in a timely manner or at all;
- 11. Our ability to effectively manage a variety of business, legal, regulatory, economic, social and political risks associated with our operations;
- 12. Our relationships with our workforce and the trade unions, as well as changes in the laws and regulations applicable to our business;
- 13. Fluctuations in operating costs;
- 14. Effect of lack of infrastructure facilities on our business;
- 15. Occurrence of Environmental Problems & Uninsured Losses;
- 16. Intensified competition in industries/sector in which we operate;
- 17. Our ability to attract, retain and manage qualified personnel;
- 18. Conflicts of interest with affiliated companies, the promoter group and other related parties;
- 19. Failures of our information technology systems and violations of our information technology systems by third parties;
- 20. Any adverse outcome in the legal proceedings in which we are involved;
- 21. Our ability to expand our geographical area of operation;

#### **Our Significant Accounting Policies:**

Our significant accounting policies are described in the section entitled "Financial Information of the Company" on page 189 of this Draft Red Herring Prospectus.

## Change in accounting policies in previous 3 (three) years

Except as mentioned in chapter "Financial Information of the Company" on page 189 there has been no change in accounting policies in last 3 (three) years.

### **Summary of the Results of Operations**



(Amt in Rs Lacs)

									(Amt in	
		% of								
Particulars Particulars	31.01.2018	Total	31.03.2017	Total	31.03.2016	Total	31.03.2015	Total	31.03.2014	Total
		Income								
Revenue from Operations	42150.53	99.41	40792.13	99.23	34821.89	98.81	31088.18	99.04	28766.92	98.91
Other Incomes	250.84	0.59	314.86	0.77	419.51	1.19	300.81	0.96	317.47	1.09
Total Income (I+II)	42401.37	100.00	41106.99	100.00	35241.39	100.00	31388.99	100.00	29084.39	100.00
Expenses:										
Cost of Material Consumed	36663.21	86.47	32820.28	79.84	28105.00	79.75	27939.08	89.01	24466.75	84.12
Manufacturing & Other Operational										
Expenses	1714.74	4.04	2278.63	5.54	2465.53	7.00	1997.46	6.36	1778.03	6.11
Changes in Inventories of finished goods,										
Stock-in-Trade and work-in-progress	(1679.94)	(3.96)	195.65	0.48	(186.81)	(0.53)	(2007.47)	(6.40)	14.58	0.05
Employee Benefits Expenses	998.63	2.36	674.39	1.64	479.02	1.36	271.14	0.86	252.41	0.87
Finance Costs	2580.15	6.09	2539.46	6.18	2685.29	7.62	2093.09	6.67	1608.78	5.53
Depreciation And Amortization Expense	177.73	0.42	194.18	0.47	210.14	0.60	147.95	0.47	92.62	0.32
Other Expenses	659.95	1.56	1324.88	3.22	594.18	1.69	414.64	1.32	297.67	1.02
Total Expenses (IV)	41114.48	96.96	40027.48	97.37	34352.36	97.48	30855.90	98.30	28510.84	98.03
Profit/(loss) before exceptional items and										
tax (I-IV)	1286.89	3.04	1079.51	2.63	889.03	2.52	533.09	1.70	573.55	1.97
Exceptional Items	(44.77)	(0.11)	109.68	0.27	178.22	0.51	(71.19)	(0.23)	(0.22)	(0.00)
Profit/(loss) before tax (V-VI)	1331.66	3.14	969.83	2.36	710.80	2.02	604.29	1.93	573.77	1.97
Tax Expense										
(1) Current Tax	404.76	0.95	325.79	0.79	265.91	0.75	218.37	0.70	180.70	0.62
(2) Interest on IT Earlier Year	1.37	0.00	2.84	0.01	0.51	0.00	1.01	0.00	0.01	0.00
(3) Deferred Tax Liability/(Assets)	27.85	0.07	(8.02)	(0.02)	(13.28)	(0.04)	1.16	0.00	7.66	0.03
(4) MAT Credit (Entitlement)/Set-Off	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Restated Profit/(loss) after tax for the										
period from continuing operations (VII-										
VIII)	897.68	2.12	649.22	1.58	457.67	1.30	383.75	1.22	385.39	1.33



## Key Components of Company's Profit And Loss Statement

**Revenue from Operations**: Revenue from operations mainly consists revenue from the manufacturing and sale of cables and conductors. The revenue of the company also includes the revenue earned by EPC projects.

Other Income: Other income primarily comprises of Interest Income and income from derivatives.

**Expenses**: Company's expenses consist of cost of material consumed, employee benefits expense, administration & Other Expenses, finance costs, depreciation and amortization expenses.

**Employee Benefits Expense**: Employee benefit expense includes Salaries and Wages and Staff Welfare Expenses, Contribution to ESIC & PF, Bonus to Employees and Provision for Gratuity.

Finance Costs: Finance cost comprises interest on Indebtedness, Bank charges and processing fees.

**Depreciation and Amortization Expense**: We recognize Depreciation on a Written down value Method (WDV method) as per the rates set forth in the Companies Act, 2013/ Companies Act, 1956, as applicable.

**Administration & Other Expenses**: Other expenses include rent, electricity, freight, repairs, office maintenance exp, travelling and conveyance exp, telephone and internet exp and miscellaneous expenditure etc.

## Financial Performance Highlights for the ten months period ended 31st January 2018

**Total Income:** The Company's total income during the period ended January 31, 2018 was ₹ 42401.37 Lacs. The revenue from operations was ₹ 42150.53 Lacs which includes revenue from EPC projects and manufacturing and sale of cables and conductors which comprised 99.41% of company's total income for the ten months period ended January 31, 2018.

**Total Expenses:** The total expenditure during the ten months period ended January 31, 2018 was ₹ 41114.48 Lacs. The total expenditure represents 96.96% of the total revenue. The total expenses are represented by Cost of material consumed, Employee Benefits Expense, Administrative and other Expenses, Finance Costs, Depreciation and Amortization Expense. The main constituent of total expenditure is Cost of material consumed, which is ₹ 36663.21 Lacs which is 86.47% of the total revenue.

**Profit/** (Loss) after tax: The restated net profit during the ten months period ended January 31, 2018 was ₹ 897.68 Lacs representing 2.12% of the total revenue of the Company.

## COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2017 WITH FISCAL 2016

**Total Income**: During the year 2016-17 the total revenue of the company increased to ₹41106.99 Lacs as against ₹35241.39 Lacs in the year 2015-16, representing an increase of 17.15% of the total revenue. This increase was mainly due to increase in sale of products and service revenue

**Other Income:** Other income of the Company for the year 2016-17 was ₹ 314.86 Lacs in comparison with ₹ 419.51 Lacs for F.Y. 2015-16.

**Total Expenses**: The total expenditure for the year 2016-17 increased to ₹ 40027.48 Lacs from ₹ 34352.36 Lacs in year 2015-16, representing an increase of 16.52% to the previous year. The increase was mainly attributable to the increase in the business operations.

**Cost of Goods consumed**: The Cost of Material Consumed for the year 2016-17 increased to ₹ 32820.28 Lacs from ₹ 28105.00 Lacs, representing an increase of 16.78 % to the 2015-16. The increase was mainly attributable to the increase in the consumption of material due to increase in sale.



**Employee Benefits Expense**: The Employee Benefit Expense comprises of salaries and wages and staff welfare expenses. The said expenses increased to ₹ 674.39 Lacs during the F.Y. 2016-17 from ₹ 479.02 Lacs in the previous year 2015-16. The increase was due to increase in employee strength and increase in cost.

**Finance Costs:** Finance cost for the year 2016-17 decreased to ₹ 2539.46 Lacs as against ₹ 2685.29 Lacs of the year 2015-16.

**Depreciation and Amortization Expense**: Depreciation for the year 2016-17 stood at ₹ 194.18 Lacs calculated at WDV method as per companies Act. For the year 2015-16 the same was ₹ 210.14 Lacs.

Administrative and other Expenses: Administrative and other Expenses include rent, electricity, freight, repairs, office maintenance exp, travelling and conveyance exp, telephone and internet exp and miscellaneous expenditure etc. These expenses increased to ₹ 1324.88 Lacs for the year 2016-17 as against ₹ 594.18 Lacs of the year 2015-16. The increase was due to increase in the sale and promotion cost and freight and handling charges.

**Profit/** (Loss) **Before Tax**: The company's profit before tax for F.Y. 2016-17 was Rs 969.83 Lacs as against ₹ 710.80 Lacs in the year 2015-16 representing an increase of 36.44 % to the previous year. The increase has been due to increase in operations.

**Profit/** (Loss) After Tax: For the year 2016-17 the profit stood at ₹ 649.22 Lacs as against the profit of ₹ 457.67 Lacs for the year 2015-16, representing an increase of 41.85% to the previous year. The increase has been due to increase in operations.

#### COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2016 WITH FISCAL 2015

**Total Income:** During the year 2015-16 the total revenue of the company increased to ₹ 35241.39 Lacs as against ₹ 31388.99 Lacs in the year 2014-15, representing an increase of 12.27% of the total revenue. This increase was mainly due to increase in sale of Products and service revenue.

**Other Income:** Other income of the Company for the year 2015-16 was ₹ 419.51 Lacs in comparison with ₹ 300.81 Lacs for F.Y. 2014-15.

**Total Expenses**: The total expenditure for the year 2015-16 increased to ₹ 34352.36 Lacs from ₹ 30855.90 Lacs in year 2014-15, representing an increase of 11.33% to the previous year. This was due to increase in volume of business, which resulted in increase in expenses viz. Cost of material consumed.

**Cost of Material Consumed**: The Cost of Material Consumed for the year 2015-16 increased to ₹ 28105.00 Lacs from ₹ 27939.08 Lacs, representing an increase of 0.59% to the previous year.

**Employee Benefits Expense:** The Employee Benefit Expense comprises of salaries and wages and staff welfare expenses. The said expenses increase to ₹ 479.02 Lacs during the F.Y. 2015-16 from ₹ 271.14 Lacs in the previous year 2014-15.

**Finance Costs**: Finance cost for the year 2015-16 increased to ₹ 2685.29 Lacs as against ₹ 2093.09 Lacs of the year 2014-15. This increase in amount was due to increase in borrowings of the Company.

**Depreciation and Amortization Expense:** Depreciation for the year 2015-16 stood at ₹ 210.14 Lacs calculated at WDV method as per companies Act. For the year 2014-15 the same was ₹ 147.95 Lacs.

Administrative and other Expenses: Administrative and other Expenses include rent, electricity, freight, repairs, office maintenance exp, travelling and conveyance exp, telephone and internet exp and miscellaneous expenditure etc. These expenses were for the year 2015-16 increased to ₹ 594.18 Lacs as against ₹ 414.65 Lacs of the year 2014-15.



**Profit/** (Loss) Before Tax The company's profit before tax for F.Y. 2015-16 increase to Rs 710.80 Lacs from ₹ 604.29 Lacs in the year 2014-15 representing a increase of 17.63% compared to the previous year.

**Profit/** (Loss) after Tax For the year 2015-16 the profit stood at  $\stackrel{?}{\underset{?}{?}}$  457.67 Lacs as against the profit of  $\stackrel{?}{\underset{?}{?}}$  383.75 Lacs for the year 2014-15.

#### COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2015 WITH FISCAL 2014

**Total Income**: During the F.Y. 2014-15 the total income of the Company increased to ₹ 31388.99 Lacs as against previous financial year 2013-14 of ₹ 29084.39 Lacs representing an increase of 7.92%. This increase was mainly due to increase in revenue from sale of products.

**Total Expenses:** Total expenditure for the F.Y. 2014-15 increased to ₹ 30855.90 Lacs from ₹ 38510.84 Lacs in FY 2013-14 representing an increase of 8.23%. This was due to increase in expenses viz. Cost of material consumed, employees benefit expenses, Administrative and other Expenses and changes in inventory of Finished Goods.

**Employee benefits expense**: Employee benefits expense increased to ₹ 271.14 Lacs in the year F.Y 2014-15 from ₹ 252.41 Lacs in FY 2013-14, representing an increase of 7.42%.

Finance Costs: Finance costs increased to ₹ 2093.09 Lacs in F.Y 2014-15 as compared to F.Y 2013-14 in which it was ₹ 1608.78 Lacs

**Depreciation and amortization expense**: Depreciation and amortization expense increased in FY 2014-15 to ₹ 147.95 Lacs from ₹ 92.62 Lacs compared to previous year FY 2013-14.

**Administrative and other Expenses**: Other expenses for the F.Y 2014-15 increased to ₹ 414.64 Lacs whereas it was ₹ 297.67 Lacs in previous F.Y. 2013-14.

**Net Profit before tax**: Net Profit before tax for the F.Y 2014-15 was ₹ 604.29 Lacs as against profit of ₹ 573.77 Lacs for the previous year 2013-14.

**Profit after tax:** The Restated profit after tax for the F.Y 2014-15 was at ₹ 383.75 Lacs as against a profit of ₹ 385.39 Lacs in the previous year 2013-14.

#### Information required as per Item (2) (IX) (E) (5) of Part A of Schedule VIII to the SEBI Regulations:

An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:

#### 1. Unusual or infrequent events or transactions

There has not been any unusual trend on account of our business activity. Except as disclosed in this Draft Red Herring Prospectus, there are no unusual or infrequent events or transactions in our Company.

2. Significant economic changes that materially affected or are likely to affect income from continuing operations.

There are no significant economic changes that may materially affect or 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 sales, revenue or income from continuing operations.

Apart from the risks as disclosed under Section "*Risk Factors*" beginning on page 18 in the Draft Red Herring Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.



#### 4. Future changes in relationship between costs and revenues

Our Company's future costs and revenues will be determined by demand/supply situation in chemical, API's manufacturing sector, government policies and prices quoted by our suppliers for raw material.

## 5. Total turnover of each major industry segment in which our Company operates

The Company is in the business of the manufacturing of cables and conductors and EPC projects. Relevant industry data, as available, has been included in the chapter titled "*Industry Overview*" beginning on page 115 of this Draft Red Herring Prospectus.

### 6. Increases in net sales or revenue and Introduction of new products or services or increased sales prices

There are no additions to our product portfolio during the last 1 year.

## 7. Status of any publicly announced New Products or Business Segment

Our Company has not announced any new product.

#### 8. Seasonality of business

Our Company's business is not seasonal in nature.

## 9. Dependence on few customers/clients

The percentage of contribution of our Company's Top Customers/Clients for the year ended March 31, 2017 is as follows:

## Our Major Customers/ Clients for the year ended March 31, 2017

Name of the Clients	<b>Amount</b> (₹ in Lacs)	As % of total turnover
NBPDCL	11052.83	27.10
PGCIL	3958.27	9.70
Larsen & Toubro Ltd.	2511.15	6.16
Techno Electric & Engg. Co. Ltd.	2232.63	5.47
Megha Engineering & Infrastructure Ltd	1327.09	3.25
MPPKVVCL	1231.00	3.02
IL&FS Engg. & Cons. Co. Ltd.	1019.30	2.50
WBSEDCL	912.71	2.24
Odisha Power Transmission Corp. Ltd.	901.39	2.21
Bajaj Electricals Ltd.	797.52	1.96
Total	25943.88	63.60

<sup>\*</sup>The above value is inclusive of all applicable taxes and incidental expenses.

## Our Major Suppliers of Raw material for the year ended March 31, 2017

Name of the Supplier	Amount (₹ in Lacs)	As % of total purchase
Hindalco Industries Ltd.	5130.65	13.70
Shreyash Alum.& Alloys P Ltd	4760.91	12.71
Vedanta Ltd.	4513.43	12.05
Bharat Aluminium Co. Ltd.	3678.54	9.82
Rakhi Agencies Limited	3322.19	8.87
Jagdamba Steels	2628.15	7.02
Kco Aluminium LLP	1938.86	5.18



Gavrill Metal Pvt. Ltd	1921.26	5.13
Kritika Wires Ltd	1824.05	4.87
Supreme & Co. Pvt. Ltd.(Pur)	1138.12	3.04
	30856.17	82.38

<sup>\*</sup>The above value is inclusive of all applicable taxes and incidental expenses.

## 10. Competitive conditions

Competitive conditions are as described under the Chapters "*Industry Overview*" and "*Our Business*" beginning on pages 115 and 125 respectively of the Draft Red Herring Prospectus.

#### 11. Details of material developments after the date of last balance sheet i.e. January 31, 2018

Except as mentioned below, no circumstances have arisen since the date of last financial statement until the date of filing the Draft Red Herring Prospectus, which materially and adversely affect or are likely to affect the operations or profitability of our Company, or value of its assets, or its ability to pay its liability within next twelve months. There is no subsequent development after the date of the Auditor's Report, which will have a material impact on the reserves, profits, earnings per share and book value of the Equity Shares of the Company.



#### SECTION VI – LEGAL AND OTHER INFORMATION

## **OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS**

Except as described below, there are no outstanding litigations, suits, civil or criminal prosecutions, proceedings before any judicial, quasi-judicial, arbitral or administrative tribunals, including pending proceedings for violation of statutory regulations or alleging criminal or economic offences or tax liabilities or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (i) of Part I of Schedule XIII of the Companies Act) against our Company, Promoter, Group Companies and Directors as of the date of this Draft Red Herring Prospectus that would have a material adverse effect on our business. There are no defaults, non-payments or overdue of statutory liabilities, institutional/ bank dues and dues payable to holders of debentures or fixed deposits and arrears of cumulative preference shares that would have a material adverse effect on our business.

The Company has a policy for identification of Material Outstanding Dues to Creditors in terms of the SEBI(ICDR) Regulations, 2009 as amended for creditors where outstanding due to any one of them exceeds 5% of consolidated trade payables as per the last audited financial statements of the Issuer.

Further, Our Company has a policy for identification of Material Litigation in terms of the SEBI (ICDR) Regulations, 2009 as amended for disclosure of all pending litigation involving the Issuer, its directors, promoters and group companies, other than criminal proceedings, statutory or regulatory actions and taxation matters where the monetary amount of claim by or against the entity or person in any such pending matter(s) is in excess of 1% of the profit after tax of our Company as per the last audited financial statement and such pending cases are material from the perspective of the Issuer's business, operations, prospects or reputation.

## PART 1: CONTINGENT LIABILITIES OF OUR COMPANY -

As of January 31, 2018 our contingent liabilities as indicated in our restated summary statements were as follows:

Particulars	Amount (in ₹ Lakhs)
Contingent Liabilities:	
Bank Guarantees	20136.14
Letter of Credit issued in favour of suppliers	3941.56
Matters pending before appellate authorities	1945.45
Corporate Guarantee provided	795.00
TOTAL	26818.15

## PART 2: LITIGATION RELATING TO OUR COMPANY

#### A. FILED AGAINST OUR COMPANY

1. Litigation Involving Criminal Laws.

**NIL** 

2. Litigation involving Actions by Statutory/Regulatory Authorities

NIL

- 3. Litigation involving Tax Liabilities
  - i. Direct Tax
  - a. Income Tax



#### TDS Liability as per Traces

As per TRACES, the following TDS Liabilities of the Company are being shown towards short payment, short deduction, interest on payments and deduction default/s 201 of the Income Tax Act, 1961 and Interest u/s 220(2) of the Income Tax Act, 1961, which are as follows:-

Sr. no	Financial Year	Outstanding Liability (in Rs.)
1.	2017-18	27,505.43
2.	2016-17	44,005.48
3.	2015-16	934.00
4.	2014-15	3,193.00
5.	Prior Years	2,885,391.01
	Total Outstanding Liability	29,61,028.92

#### ii. Indirect Tax

## Central Sales Tax Act, 1956

#### A.Y. 2015-16

Our Company has received a notice under sub-section (2) of section 43 read with section 66 of the West Bengal Value added tax and under section 9(2) of the CST Act 1956, where the Commissioner Sales Tax have selected the company for making the audit of the Books of accounts of the company in respect of the return period commencing from 01.04.2015 to 31.03.2016. The audit is currently under process.

## 4. Other Pending Litigation

**NIL** 

#### B. CASES FILED BY OUR COMPANY

## 1. Litigation Involving Criminal Laws.

#### Metropolitan Magistrate, Kolkata

A complaint (CS 0040185/2015) under section 138 of the Negotiable Instruments Act, 1881 has been filed against M/s Chadalavada Infratech Limited for dishonor of cheques bearing no. 131658 & 131659 of Rs. 1280941 and Rs. 1281214 each dated June 12, 2015 drawn on State Bank of India which were returned by the Bank with the reason "insufficient funds". These cheques were given by the accused in the course of the business, as payment for the materials that the accused bought. The next date in matter is 25/06/2018.

## 2. Litigation involving Actions by Statutory/Regulatory Authorities

**NIL** 

## 3. Litigation involving Tax Liabilities

#### **INCOME TAX**

#### **Assessment Year 2014-15**

Our Company has preferred an appeal to Commissioner of Income Tax (Appeals), Kolkata-2 against the order of Assessing Officer passed under section 143 (3) of the Income Tax Act, 1961 dated December 28, 2016in respect to Assessment Year 2014-15whereby addition of Rs. 2,33,50,000/- received as share application money is considered to be unexplained Cash Credit under section 68 stating it to be a bogus transaction has been made and raised a demand of Rs 102.21 lacs. As on the date of this Draft Red Herring Prospectus, the matter is pending before



Commissioner of Income Tax (Appeals), Kolkata and the last date of the hearing was January 02, 2018.

#### Assessment Year 2014-15

Our Company has preferred an appeal to Commissioner of Income Tax (Appeals), Kolkata-2 against the order of Assessing Officer passed under section 271(1)(c) of the Income Tax Act, 1961 dated June30, 2017 in respect to Assessment Year 2014-15 whereby the penalty of Rs. 75,75,907/- has been levied by Assessing officer. As on the date of this Draft Red Herring Prospectus, the matter is pending before Commissioner of Income Tax (Appeals), Kolkata and the last date of the hearing was January 02, 2018.

#### Assessment Year 2015-16

Our Company has preferred an appeal to Commissioner of Income Tax (Appeals), Kolkata-2 against the order of Assessing Officer passed under section 143 (3) of the Income Tax Act, 1961 dated December 29, 2017 in respect to Assessment Year 2015-16 whereby addition of Rs. 2,50,00,000/- received as share application money is considered to be unexplained Cash Credit under section 68 stating it to be a bogus transaction and addition of Rs. 50,000/- as commission paid u/s 69 has been made and raised a demand of Rs 106.87 lacs...As on the date of this Draft Red Herring Prospectus, the matter is pending before Commissioner of Income Tax (Appeals), Kolkata and the last date of the hearing was April 10, 2018 .

#### **Indirect Tax**

## **West Bengal Taxation Tribunal Kolkata**

#### A.Y. (Period)-2011-12

The application (R.N. 813/2017) under Section 8 of the West Bengal Taxation Tribunal Act, 1987 has been filed before the West Bengal Taxation Tribunal, Kolkata titled as Cabcon India Private Limited vs. Joint Commissioner and ors, whereby the Company has challenged the order dated 16.11.2016 passed by the West Bengal Commercial Taxes Appellate and Revisional Board in revision for the year 2011-12 under WBVAT Act, 2003. The company has earlier filed an appeal against the order passed by the Joint Commissioner where they have raised a demand of Rs. 19738323 against the Company with the Appeal Forum CD-02. Later aggrieved by the order of the Appeal Forum CD-02 company filed an appeal with the West Bengal Commercial Taxes Appellate and Revisional Board which also confirmed the order passed by the Second party on 16.11.2016. The next date in the matter is November 20, 2018.

#### A.Y. 2015-16

Our Company has received a notice under sub-section (2) of section 43 read with section 66 of the West Bengal Value added tax and under section 9(2) of the CST Act 1956, where the Commissioner Sales Tax have selected the company for making the audit of the Books of accounts of the company in respect of the return period commencing from 01.04.2015 to 31.03.2016. The audit is currently under process.

#### West Bengal Commercial Taxes Appellate and Revisional Board.

#### A.Y. (Period) 2013-14

Our Company has filed the revision petition on February 17, 2017 against the order passed by the Appellate Authority under WB VAT Act, 2003 and CST Act, 1956 which has modified the assessment order under both the Acts which has raised a demand on the Company amounting to Rs. 3042291. The next date in the matter is June 13, 2018.

## A.Y. (Period) 2014-15

Our Company has filed the revision petition on 03/04/2018 u/s 87 of the CST Act, 1956 against the order passed by the Joint Commissioner, Dharmatola Circle raising a demand on the Company amounting to Rs. 2608033 vide a revised notice dated February 09, 2018. The matter is under sub-judice.



#### **High Court of Calcutta**

## **A.Y.** (Period) 2011-12 (Central Sales Tax Act, 1956)

The Writ Petition (WP) 28573 W of 2017 titled as Cabcon India Pvt. Ltd vs. Joint Commissioner, Commercial Taxes and ors. During the period for 2011-12 Joint Commissioner, Commercial taxes initiated audit proceeding against the Company. In the said audit proceedings the company duly participated and produced all books of accounts and documents. By an order dated July 04, 2014 the Joint Commissioner make certain disallowance and raised an additional demand of Rs.8,49,56,561.36. Against the said audit report Company filed an appeal before the Additional Commissioner but the Additional Commissioner vide order dated July 13, 2015 held that disallowance of such claim is fully justified. Being aggrieved by the said order our Company filed a revision petition before the West Bengal Commercial Taxes Appellate and Revisional Board who confirmed the order passed by the Additional Commissioner dated November 16, 2016.

This Writ petition has been filed by the company against the order dated 04.07.2014 passed by the Joint Commissioner (Commercial taxes), order dated 04.07.2014 passed by the Additional Commissioner (Commercial Taxes) and order dated 16/11/2016 passed by the West Bengal Commercial Taxes Appellate and Revision Board. The last date in the matter is May 07, 2018.

#### **ENTRY TAX**

#### West Bengal Taxation Tribunal Kolkata (A.Y. 2014-15)

The application under Section 8 of the West Bengal Tax Tribunal Act, 1987 has been filed before the West Bengal Taxation Tribunal, Kolkata in the matter of order of assessment passed by the Commercial tax officer whereby the Company has challenged the vires of Section 4 of the West Bengal on Entry of Goods into the Local Area. The Company has challenged the order of assessment passed by the Commercial Tax officer dated 30.06.2017 for the period 2014-15 under West Bengal on Entry of Goods into the Local Area, 2012 where they have determined an amount of Rs. 19914943 along with interest Rs. 6214336 and late fees of Rs. 32000 payable by the Company. Thus total demand raised for the year was Rs. 26159779.

#### West Bengal Taxation Tribunal Kolkata (A.Y. 2015-16)

The application (505/2018) under Section 8 of the West Bengal Tax Tribunal Act, 1987 has been filed before the West Bengal Taxation Tribunal, Kolkata in the matter of order of assessment passed by the Commercial tax officer whereby the Company has challenged the vires of Section 4 of the West Bengal on Entry of Goods into the Local Area. The Company has challenged the order of assessment passed by the Commercial Tax officer dated 15.03.2018 for the period 2015-16 under West Bengal on Entry of Goods into the Local Area, 2012 where they have determined an amount of Rs. 17390851 along with interest Rs. 8866882 and late fees of Rs. 29500 payable by the Company. Thus total demand raised for the year was Rs. 26287233.

## CENTRAL EXCISE SERVICE TAX TRIBUNAL

#### Excise Appeal No. E/106/2010 (Period 28/02/2001 to 06/10/2001)

Our company has filed an appeal before the CESTAT-Kolkata, challenging the order dated 17/11/2009, passed by the Commissioner (Appeals), which confirmed the order of Additional Commissioner dated 22/12/2006, whereby the demand of Rs.19,82,901/- was imposed alongwith the interest and penalty of Rs.19,82,901/- u/s 11AC and Rs.5 lac under Rule 173Q (1)(b) of the 1944 rules was also levied.

#### Excise Appeal (Period 01/04/2007 to 31/10/2010)

Our company has filed an appeal before the CESTAT-Kolkata, challenging the order dated 21/06/2016, passed by the Commissioner (Appeals), which confirmed the order of Deputy Commissioner dated 04/11/2011, whereby the demand of Rs.3,18,133/- was imposed alongwith the interest and penalty of Rs.3,18,133/- u/s 11AC was also levied.



## Excise Appeal No. E/76363/2018 (Period March-2011 to June-2011 and December-2011 to June-2012)

Our company has filed an appeal before the CESTAT-Kolkata, challenging the order dated 22/12/2017, passed by the Commissioner (Appeals), which confirmed the order of Deputy Commissioner dated 18/12/2012, whereby the demand of Rs.1,41,404/- for the period March-2011 to June-2011 was imposed and Rs.1,92,392/- for the period December-2011 to June-2012 was imposed alongwith the interest and also levied the penalty of Rs.10,000/- and Rs.10,000/- respectively for both the periods under rule 25.

## Excise Appeal No. E/76364/2018 (Period July-2012 to April-2013)

Our company has filed an appeal before the CESTAT-Kolkata, challenging the order dated 22/12/2017, passed by the Commissioner (Appeals), which confirmed the order of Deputy Commissioner dated 04/11/2011, whereby the demand of Rs.1,04,831/- was imposed alongwith the interest and penalty of Rs.10,000/- under rule 25.

## 4. Other Pending Litigation

NIL

## PART 3: LITIGATION RELATING TO DIRECTORS OF THE COMPANY

#### A. LITIGATION AGAINST OUR DIRECTORS

1. Litigation Involving Criminal Laws.

## Additional Chief Judicial Magistrate Court, Bidhannagar

A complaint(CC 123/14) under the Factories Act has been filed by the Inspector of Factories, West Bengal before the Additional Chief Judicial Magistrate, Bidhannagar based on the inspection of the Factory registered as Cabcon India Pvt. Ltd. Lake Town, 93, Dakhindri Road, Kolkata on 07.03.2014 for the violation u/s 61, 45(3),112, 21(1)(iv), 88, 41, 83 of the Factories Act 1948 r.w. rule 82, 66A, 106, 95, 51, 88 of the West Bengal Rules, 1958 against Vijay Kumar Fomra and Mrinal Kanti Banerjee, Manager. The matter is presently at the stage of appearance and the next date of listing is 09/07/2018.

## 2. Litigation involving Actions by Statutory/Regulatory Authorities

NIL

#### 3. Litigation involving Tax Liabilities

### Vijay Kumar Fomra

As per the information available on the Income Tax website, our Director Vijay Kumar Fomra has the following outstanding income tax liability for following Assessment Years.

A.Y.	Section Code	Date of notice issued u/s 245	Outstanding demand (In Rs.)
2006-07	220(2)	17/08/2017	1258/-
2007-08	220(2)	23/08/2017	444/-

#### **Madan Mohan Fomra**

As per the information available on the Income Tax website, our Director Madan Mohan Fomra has the following outstanding income tax liability for following Assessment Years.

A.Y.	Section Code	Date of notice issued u/s 245	Outstanding deman
2007-08	220(2)	15/09/2014	117/-



2008-09	220(2)	11/02/2018	28,506/-
2009-10	220(2)	11/02/2018	1320/-
2010-11	220(2)	11/02/2018	410/-
2011-12	220(2)	11/02/2018	1675/-

## **Shree Ballabh Fomra**

As per the information available on the Income Tax website, our Director Ballabh Fomra has the following outstanding income tax liability for following Assessment Years .

A.Y.	Section Code	Date of notice issued u/s 245	Outstanding demand (In Rs.)
2008-09	143(1)	03/03/2010	46,510/-
2010-11	220(2)	11/02/2018	2296/-
2012-13	220(2)	11/02/2018	2622/-

## 4. Other Pending Litigation

NIL

## B. <u>LITIGATION FILED BY OUR DIRECTORS</u>

1. Litigation Involving Criminal Laws.

**NIL** 

- 2. Litigation involving Actions by Statutory/Regulatory Authorities NIL
- 3. Litigation involving Tax Liabilities

NIL

4. Other Pending Litigation

NIL

## PART 4: LITIGATION RELATING TO OUR PROMOTERS

## A. <u>LITIGATION AGAINST OUR PROMOTERS</u>

1. Litigation Involving Criminal Laws.

NIL

2. Litigation involving Actions by Statutory/Regulatory Authorities

**NIL** 

3. Litigation involving Tax Liabilities

## **Manish Kumar Fomra**

As per the information available on the Income Tax website, our Promoter Vijay Kumar Fomra has the following outstanding income tax liability for following Assessment Years.



A.Y.	Section Code	Outstanding demand
		(In Rs.)
2003-04	143(1)	492
2007-08	143(1)	17647/-
2008-09	143(1)	23605/-
2010-11	143(1a)	450/-
2011-12	143(1a)	1660/-
2013-14	154	20830
2014-15	154	3480
2015-16	143(1a)	37030
2016-17	220(2)	108

## S B Fomra Huf

As per the information available on the Income Tax website, our Promoter S B Fomra Huf has the following outstanding income tax liability for following Assessment Years.

A.Y.	Section Code	Date of notice issued u/s 245	Outstanding
			demand(In Rs.)
2004-05	143(1)	19/11/2015	5352/-
2006-07	143(1)		624/-

## **MM Fomra Huf**

As per the information available on the Income Tax website, our Promoter M M Fomra Huf has the following outstanding income tax liability for following Assessment Years.

A.Y.	Section Code	Date of notice issued u/s 245	Outstanding demand (In Rs.)
2012-13	154	03/11/2016	17300/-

## **Shanti Prasad Fomra**

As per the information available on the Income Tax website, our Promoter Shanti Prasad Fomra has the following outstanding income tax liability for following Assessment Years.

A.Y.	Section Code	Date of notice issued u/s 245	Outstanding demand (In Rs.)
2007-08	143(1)	26/10/2015	220/-
2008-09	143(1)		262/-
2009-10	220(2)		47/-
2011-12	143(1a)		4030/-

## 4. Other Pending Litigation

NIL

## B. <u>LITIGATION FILED BY OUR PROMOTERS</u>

1. Litigation Involving Criminal Laws.

NIL

2. Litigation involving Actions by Statutory/Regulatory Authorities

NIL



## 3. Litigation involving Tax Liabilities

NIL

## 4. Other Pending Litigation

**NIL** 

## PART 5: LITIGATION RELATING TO OUR GROUP COMPANIES

## A. <u>LITIGATION AGAINST OUR GROUP COMPANIES</u>

1. Litigation Involving Criminal Laws.

NIL

## 2. Litigation involving Actions by Statutory/Regulatory Authorities

NIL

## 3. Litigation involving Tax Liabilities

- i. Direct Tax
- a. Income Tax

## Bal Gopal Commodeal Pvt. Ltd.

## TDS Liability as per Traces

As per TRACES, the following TDS Liabilities of the Company are being shown towards short payment, short deduction, interest on payments and deduction default/s 201 of the Income Tax Act, 1961 and Interest u/s 220(2) of the Income Tax Act, 1961, which are as follows:-

Sr. no	Financial Year	Outstanding Liability (in Rs.)
1.	2015-16	28,600/-

## Manro Finance and Traders Pvt. Ltd.

## TDS Liability as per Traces

As per TRACES, the following TDS Liabilities of the Company are being shown towards short payment, short deduction, interest on payments and deduction default/s 201 of the Income Tax Act, 1961 and Interest u/s 220(2) of the Income Tax Act, 1961, which are as follows:-

Sr. no	Financial Year	Outstanding Liability (in Rs.)
1.	2015-16	6,593.00
2.	2014-15	156.00
5.	Prior Years	1,47,238.00
Total Outstanding Liability		1,53,987.00

#### Radhika Transmission Pvt. Ltd.

## TDS Liability as per Traces



As per TRACES, the following TDS Liabilities of the Company are being shown towards short payment, short deduction, interest on payments and deduction default/s 201 of the Income Tax Act, 1961 and Interest u/s 220(2) of the Income Tax Act, 1961, which are as follows:-

Sr. no	Financial Year	Outstanding Liability (in Rs.)
1.	2017-18	1,380/-
2.	2016-17	15,429.00
3.	2015-16	2,536.00
4.	2014-15	64,570.66
5.	Prior Years	3,90,262.26
	Total Outstanding Liability	4,74,178.42

#### Shreyash Aluminium & Alloys Pvt. Ltd.

## TDS Liability as per Traces

As per TRACES, the following TDS Liabilities of the Company are being shown towards short payment, short deduction, interest on payments and deduction default u/s 201 of the Income Tax Act, 1961 and Interest u/s 220(2) of the Income Tax Act, 1961, which are as follows:-

Sr. no	Financial Year	Outstanding Liability (in Rs.)
1.	2016-17	5,261.00
2.	2015-16	14,667.00
3.	2014-15	9,951.00
5.	Prior Years	2,38,927.38
	Total Outstanding Liability	2,68,806.38

#### ii. Indirect Tax

NIL

#### 4. Other Pending Litigation

NIL

## B. <u>LITIGATION FILED BY OUR GROUP COMPANIES</u>

1. Litigation Involving Criminal Laws.

NIL

## 2. Litigation involving Actions by Statutory/Regulatory Authorities

## 3. Litigation involving Tax Liabilities

- i. Direct Tax
- a. Income Tax
- ii. Indirect Tax

#### West Bengal Taxation Tribunal Kolkata (R.N. 504/2018)

The application (R.N. 504/2018) under Section 8 of the West Bengal Tax Tribunal Act, 1987 has been filed before



the West Bengal Taxation Tribunal, Kolkata titled as Shreyash Aluminum and Alloys Private Limited vs. Commercial Tax officer and ors, whereby the Group Company has challenged the vires of Section 4 of the West Bengal on Entry of Goods into the Local Area. The Group Company has challenged the order of assessment passed by the Commercial Tax officer dated 15.03.2018 for the period 2015-16 under West Bengal on Entry of Goods into the Local Area, 2012 where they have determined an amount of Rs. 4051212 along with interest Rs. 2018940 and late fees of Rs. 29500 payable by the said Group Company. Thus total demand raised for the year was Rs. 6099652.

## West Bengal Taxation Tribunal Kolkata (R.N. 3268/2017)

The application (R.N. 3268/201) under Section 8 of the West Bengal Tax Tribunal Act, 1987 has been filed before the West Bengal Taxation Tribunal, Kolkata titled as Shreyash Aluminum and Alloys Private Limited vs. Commercial Tax officer and ors, whereby the Group Company has challenged the vires of Section 4 of the West Bengal on Entry of Goods into the Local Area. The Group Company has challenged the order of assessment passed by the Commercial Tax officer dated 30.06.2017 for the period 2014-15 under West Bengal on Entry of Goods into the Local Area, 2012 where they have determined an amount of Rs. 5287369/- along with interest Rs. 1774150 and late fees of Rs. 32000 payable by the said Group Company. Thus total demand raised for the year was Rs.7092019.

#### West Bengal Taxation Tribunal Kolkata (R.N. 255/2018)

The application (R.N. 225/2018) under Section 8 of the West Bengal Tax Tribunal Act, 1987 has been filed before the West Bengal Taxation Tribunal, Kolkata titled as Shreyash Aluminum and Alloys Private Limited vs. Joint Commissioner, sales tax and ors , whereby the Group Company has challenged the Seizure of 92027 kgs of aluminium on 16.06.2016 u/s 76 of the VAT Act, 2003, order dated 08.08.2016 whereby the Joint Commissioner has imposed the penalty of INR 31,26,824/- and Cash Security of Rs. 6,25,365/- along with entry tax of Rs. 12,50,729/- i.e., 1% of value of goods determined and also the revision order dated 17.01.2018 whereby the order of Joint Commissioner dated 08.08.2016 was confirmed.

#### West Bengal Commercial Taxes Appellate and Revisional Board.

### A.Y. (Period) 2013-14

Our Group Company has filed the revision petition on February 22, 2017 against the order passed by the Sr. Joint Commissioner of Commercial taxes, who has confirmed the order of Commercial Tax officer dated who determined the turnover of purchases made from unregistered dealer for Rs. 1856930 taxable @ 14.5%.

## Radhika Transmission Private Limited

## West Bengal Commercial Taxes Appellate and Revisional Board.

#### A.Y. (Period) 2015-16

Our Group Company has filed the revision petition on March 22, 2018 against the order passed by the Commercial Tax Officer and the total amount disputed for which revision petition is filed is Rs. 5,82,412 /- which includes tax, interest, penalty and late fee in dispute.

## 4. Other Pending Litigation

**NIL** 

## PART 6: AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS AND OTHER CREDITORS

The Board of Directors of our Company considers dues exceeding, 5% of our Company's total Trade Payables - for Goods & Expenses as per Restated Audited financial statements, to small scale undertakings and other creditors as material dues for our Company. As on January 31, 2018, there are eight creditors to each of whom our Company



owes amounts exceeding 5% of our Company's Trade Payables - for Goods & Expenses and the aggregate outstanding dues to them being approximately Rs. 5930.76 lakhs. Further, our Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure, if any, in relation to amount unpaid as at the year end together with interest payable as required under the said Act have not been furnished. Therefore, as on January 31, 2018, our Company owes amounts aggregating to Rs. 17427.09 Lacs approximately towards creditors for Trade Payables as per Restated Financial Statements, which may or may not include small scale undertakings. There are no disputes with such entities in relation to payments to be made to them. The details pertaining to amounts due towards such creditors are available on the website of our Company.

### PART 7: MATERIAL DEVELOPMENTS OCCURING AFTER LAST BALANCE SHEET DATE

Except as disclosed in Chapter titled "Management's Discussion & Analysis of Financial Conditions & Results of Operations" beginning on page 295 there have been no material developments that have occurred after the Last Balance Sheet Date.



#### GOVERNMENT AND OTHER APPROVALS

We have received the necessary consents, licenses, permissions and approvals from the Government and various governmental agencies required for our present business (as applicable on date of this Draft Red Herring Prospectus) and except as mentioned below, no further approvals are required for carrying on our present business.

In view of the approvals listed below, we can undertake this Issue and our current/proposed business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to be undertaken in respect of the Issue or to continue our business activities. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Draft Red Herring Prospectus.

The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to carry out its activities. The following are the details of licenses, permissions and approvals obtained by the Company under various Central and State Laws for carrying out its business:

The Company has got following licenses/registrations/approvals/consents/permissions from the Government and various other Government agencies required for its present business.

## APPROVALS FOR THE ISSUE

- a. Our Board of Directors have, pursuant to a resolution passed at its meeting held on May 24, 2018 authorized the Issue, subject to the approval of the shareholders of our Company under Section 62(1) (c) of the Companies Act, 2013 and such other authorities as may be necessary.
- b. The Issue of Equity Shares has been authorized by a special resolution adopted pursuant to Section 62(1) (c) of the Companies Act, 2013 at the Extra Ordinary General Meeting of shareholders held on May 26, 2018.
- c. Our Company has obtained approval from SME platform of NSE by way of a letter dated [●] to use the name of the Stock Exchange in this Draft Red Herring Prospectus for listing of Equity Shares on the Stock Exchange.

#### APPROVALS/LICENSES/PERMISSIONS PROCURED TO CONDUCT OUR BUSINESS

#### A. Incorporation related Approvals:

Sr. No	Nature of Registration & License	Registration/License No.	Applicable Laws	Issuing Authority	Date of Issue	Date of Expiry
1.	Certificate of	U31200WB1991PTC05	Companies	Registrar of	Feb 01,	Valid till
	Incorporation	0809	Act, 1956	Companies,	1991	Cancelled
	(Cabcon India Private			Kolkata, West		
	Limited.)			Bengal		
2.	Fresh Certificate	U31200WB1991PLC05	Companies	Registrar of	May 09,	Valid till
	incorporation	0809	Act, 2013	Companies,	2018	Cancelled
	(Cabcon India Limited.)*			Kolkata, West		
				Bengal.		

<sup>\*</sup> Due to change in name from Cabcon India Private Limited to Cabcon India Limited a fresh certificate is issued on May 09, 2018.

#### B. Taxation Related approvals/other approval:

Sr.	Nature of Registration &	Registration/Li	Applicable Laws	<b>Issuing Authority</b>	Date of	Date of
No	License	cense No.			Issue/Last	Expiry
					amended	



1.	Permanent Account	AABCC2164P	Income Tax Act,	Income Tax	March 27,	Valid till
	Number (PAN)		1961	Department	2000	Cancelled
2.	Tax Deduction Account	CALC02131D	Income Tax Act,	Income Tax	*	Valid till
	Number (TAN)		1961	Department		Cancelled
3.	Certificate of Importer -	0200014811	The Foreign	Foreign Trade	Jan 19, 2001	Valid till
	Exporter Code (IEC)		Trade	Development		Cancelled
			(Development &	Officer.		
			Regulation) Act, 1992			
4.	Service Tax Registration	AABCC2164PS	The Finance Act,	Central Excise	Oct 25, 2007	Valid till
4.	Service Tax Registration	T001	1994	Officer	Oct 23, 2007	Cancelled
5.	West Bengal Value Added	19200402034	West Bengal Value	Sales Tax officer	April 01, 2005	Valid till
	Tax Registration	1,200,10203	Added Tax Rules,	Registration	11pin 01, 2003	Cancelled
	Certificate		2005	Authority,		
6.	Central Sales Tax	19200402034	Central Sales	Commercial Tax	Oct 31,1992	Valid till
	Registration Certificate		Tax act, 1956	Officer, Ezra		Cancelled
				Street Charge,		
7	Control Engine	A A DCC21 C4D	II. dan Dada O. C	Kolkata	A. 21 2006	37.1: 4 cm
7.	Central Excise Registration	AABCC2164P XM001	Under Rule 9 of Central Excise	Assistant Commissioner of	Aug 31, 2006	Valid till Cancelled
	(Address of Business	AMOUI	Rule, 2002	Central Excise,		Cancelled
	Premises: - 93 Dakshindari		Kuic, 2002	Dum Dum -II		
	Road, Shree Bhumi,			Division 2, St.		
	Kolkata, West Bengal,			Georges Gate		
	700048)			Road ,Kolkata,		
				700022		
8.	Central Excise	AABCC2164P	Under Rule 9 of	Assistant	January 2,	Valid till
	Registration	XM002	Central Excise	Commissioner of	2014	Cancelled
	(Address of Business		Rule, 2002	Central Excise and		
	Premises: -Dag No. 454, 455-56, 460-63)Sankrail			service Tax, Howrah, (West),		
	Industries Park, Jala Dhu-			Division I Kolkata,		
	Lagori, Sankrail, Howrah,			700022		
	West Bengal)					
9.	Good and Service Tax	19AABCC2164	Central Good and	Government of	Sep 20, 2017	Valid till
	Registration certificate	P1ZC	service act 2017	India		Cancelled
10.	Professional Tax	191003101387	West Bengal Tax	Special	March 11,	July 31,
	Registration Certificate.		on Professions	Commissioner of	1991	2018
			Trades, Calling and	Commercial Taxes		
			Employment Rules 1979.	Professional Tax, West Bengal		
11	Pollution Certificate	CO29/5-	Under section	West Bengal	May 20, 2016	May 20,
11	NH – 6, Bhagawatipur,	PCB/How/41-	25&26 of Water	Pollution Control	1110, 20, 2010	2016 to
	Sankrail Industrial park,	2007	(Prevention and	Board		July 31,
	Dhulagarh		control of			2020
	-		pollution) act 1974			
			and section 21 of			
			Air(Prevention and			
			control of			
10	T' , 1 , ' 1	20120104612	pollution) act 1981	D 11 / 1	M 1 10	<b>M</b> 1.0
12	License to electrical	20130104612 (16223)	Regulation 24 of	President and	March 10, 2014	March 9, 2022
	contractor	(10223)	the Regulation, under rule 45(1) of	secretary, Licensing Board.	2014	2022
			the Indian	Licensing Doard.		
		İ	are maran	l	l .	j



			Electricity Rules, 1956			
13	Fire License Bhagawatipur, Sankrail Industrial park, Dhulagarh	185622/2017- 18	License under West Bengal Fire Services Act, 1950	Collector, Fire License	November 26, 2017	November 25, 2018
16	Udhog Adhaar Registration	WB10C001047 7	Ministry of Micro Small and Medium Enterprises	Ministry of Micro, Small & Medium Enterprises (Govt. Of India)	November 16, 2017	Valid till cancelled
17	Certificate of Registration, Contract Labour (Regulation and Abolition) Act 1970 Bhagawatipur, Sankrail Industrial park, Dhulagarh	20/16/CL	Contract Labour (Regulation and Abolition) Act 1970	Registering Officer, Howrah	June 23, 2016	Valid till cancelled

<sup>\*</sup>TAN allotment letter is not available with the Company

# C. Industrial Labor Related approvals:

S.	Nature of Registration	Registration/License	Applicable Laws	Issuing	Date of	Date of
No.	& License	No.		Authority	Issue	Expiry
1.	Registration under	WBCAL0040768000	Employee's Provident	Employees	November	Valid till
	Employees' Provident		Funds & Miscellaneous	Provident	03, 2003	Cancelled
	Funds (EPF)		Provisions Act,1952	Organization		
2.	Registration under	40000159980000604	Employee's State	Ministry of	June 01,	Valid till
	Employees' State	41400159980010604	Insurance Act, 1948	Labour and	2003	Cancelled
	Insurance Corporation			Employment		
	(ESI)			(Govt. Of		
				India)		

# D. Technical & Business Approvals

S.	Nature of Registration &	Registration/	Applicable Laws	Issuing	Date of Issue	Date of
No.	License	License No.		Authority		Expiry
1.	License to Work a factory. (Details of Premises:- 93 Dakshindari Road, Shree Bhumi, Kolkata, West Bengal, 700048)	14356	Factories Act, 1948	Chief Inspector of factories of West Bengal	April 2,2014	December 31, 2018
2	License to Work a factory. ( Details of Premises:- Dhulagarh, Industrial Park, P.O. Kanduah Dist. Howrah)	17058	Factories Act, 1948	Chief Inspector of factories of West Bengal	April 16,2015	December 31, 2018
3	License for carrying on offensive or dangerous Trades (Detail of Premises:- Plot No. 454,455,456,460 Bhagabatipur, Howrah, Sankrail W.B)	494	License under section 116 & 133 West Bengal Panchayat Act 1973.	Executive Officer Sankrail Panchayat Samiti, Howrah	Dec 12, 2017	December 31, 2018
4	License for carrying on offensive or dangerous Trades (Detail of Premises:- Plot No. 1377,1414,1415,1416, Jala Dhulagiri, Sankrail W.B)	495	License under section 116 & 133 West Bengal Panchayat Act 1973.	Executive Officer Sankrail Panchayat Samiti, Howrah	Dec 26, 2017	December 31, 2018



5	Entrepreneurs Memorandum Number (South Dum Dum, 93, Dakindari Road, Sub- Divn. Barrackpore, Distt. North-700048)	19011120390 8	The Micro, Small & Medium Enterprises Development (MSMED) Act, 2006.	Project Manager EDF District Industries Center, Barasat	August 22, 2008	Valid till cancelled
6	Entrepreneurs Memorandum Number (Dhulagarh, Industrial Park, P.O. Kanduah Dist. Howrah)	19001612028 39	The Micro, Small & Medium Enterprises Development (MSMED) Act, 2006.	Project Manager EDF District Industries Center, Howrah, W.B.	Dec 21, 2007	Valid till cancelled
7	Certificate of enlistment of professional, trade and calling (Cabcon India (P) Ltd Reg. as Corporate Office, Address:-Terminus, unit no. 3B & C Ist floor AA-IB, new Town Kolkata- 700156)	11159051201 52237	Government of West Bengal	Section 36A of New Town Kolkata Development act, 2007	May 30, 2018	March 31, 2019

# QUALITY CERTIFICATIONS/ CERTIFICATIONS

Sr. No.	Name of Registration/ License	Certificate/License No.	Issuing Authority	Date of issue	Date of Expiry
1	ISO Certification	IND17.5811U/Q	Bureau VERITAS (India) Private Limited(Certification Business)	Nov 9, 2011	Nov 12, 2020
2	Renewed Certificate of Marks License (For Product: Aluminium conductors for overhead transmission purposes part 4 aluminium stranded conductors)	CM/L No. 5375169 For Dhuagarh Industrial Park, Sankrail, Dist Howrah, West Bengal	Scientist – B, Bureau of Indian Standards	February 5, 2018	February 4, 2019
3	Renewed Certificate of Marks License (For Product: PVC Insulated cables for working voltages upto and including 450/750 V)	CM/L No. 5100110256 For Sankrial Industrial Park N.H. 6 Bombay Road, P.O + Vill- Kanduah Dist Howrah, West Bengal-711302	Scientist – B, Bureau of Indian Standards	February 23, 2018	February 22, 2019
4	Renewed Certificate of Marks License (For Product: Aerial Bunched Cables for working voltages upto and including 1100 Volts specification)	CM/L No. 5746380 For Dhuagarh Industrial Park, Sankrail, Dist Howrah, West Bengal	Scientist – B, Bureau of Indian Standards	February 15, 2018	February 14, 2019
5	Renewed Certificate of Marks License (For Product: Aluminium conductors for overhead transmission purposes: Part 2 aluminium conductors, galvanized steel reinforced)	CM/L No. 5500752 For Dhuagarh Industrial Park, Sankrail, Dist Howrah, West Bengal	Scientist – B, Bureau of Indian Standards	August 12, 2017	August 11, 2018



## **EPCG License:**

Sr. No.	File No.	Advance Authorization No	Date	Amount (In Rs. Lacs)	Obligation Period
1	02/21/040/00332/AM1	210206429	08.01.2016	86.55	18 months
2	02/21/040/00146/AM1	210206865	29.07.2016	89.65	18 months
3	02/21/040/00146/AM17	210207476	17.03.2017	1417.11	18 months
4	02/21/040/00409/AM1	210207457	10.03.2017	1852.92	18 months
5	02/21/040/00079/AM18	210207635	26.05.2017	169.18	18 months
6	02/24/040/00001/AM19	210208382	04.05.2018	308.40	18 months

## APPROVAL/LICENSES / PERMISSIONS APPLIED FOR OR RENEWED

In addition to the above, following are the licenses/approvals/registrations that our company has applied or renew but not procured as on date of this Draft Red Herring Prospectus:-

Sr.No.	Name of Registration/ License	Issuing Authority	Date of Application/Date of Expiry
1.	Certificate of Enlistment Trade License (Cabcon India (P) Ltd registered for doing trade of non-food item electrical goods (address:- 4A, Pollock Street, 700001)	The Kolkata Municipal Corporation	March 31, 2018
2.	Renewed Certificate of Marks License (For Product: Aluminium conductors for overhead transmission purposes: Part 1 aluminium Stranded conductors) for 93, Dakshindari Road, Kolkata, West Bengal	Sc-F & Head, Bureau of Indian Standards	April 15, 2018



#### OTHER REGULATORY AND STATUTORY DISCLOSURES

## **Authority for the Issue**

#### Fresh Issue

The Board of Directors, pursuant to a resolution passed at their meeting held on May 24, 2018 authorized the Issue, subject to the approval of the shareholders of our Company under Section 62(1) (c) of the Companies Act, 2013, and such other authorities as may be necessary. The shareholders of our Company have, pursuant to a special resolution passed under Section 62 (1) (c) of the Companies Act, 2013 at an Extra-Ordinary General Meeting held on May 26, 2018 authorized the Issue.

Our Company has obtained in-principle approval from the SME Platform of NSE for using its name in the offer document pursuant to an approval letter dated [•] NSE is the Designated Stock Exchange.

#### Prohibition by SEBI or other Governmental Authorities

We confirm that there is no prohibition on our Company, our Promoters, our Promoters Group, our Directors or the natural person(s) in control of our Company from accessing or operating in the Capital Markets or restrained from buying, selling or dealing in securities under any order or direction passed by the Board (SEBI) or any other authorities.

The listing of any securities of our Company has never been refused by any of the Stock Exchanges in India.

Neither of our Promoters, Promoter Group, Directors or the person(s) in control of our Company, has ever been part of Promoters, Promoter Group, Directors or the person(s) in control of any other Company which is debarred from accessing the capital market under any order or directions made by the Board (SEBI) or any other regulatory or governmental authority.

#### **Association with Securities Market**

None of our Directors are associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our Directors are associated as promoters or directors.

#### Prohibition by RBI

Neither our Company, our Promoters, our Directors, relatives (as per Companies Act, 2013) of Promoters or the person(s) in control of our Company have been identified as a will full defaulter by the RBI or other governmental authority and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided in the chapter "Outstanding Litigations and Material Development" beginning on page 306 of the Draft Red Herring Prospectus.

#### Eligibility for the Issue

Our Company is eligible in terms of Regulations 4(2) of SEBI ICDR Regulations for this Issue.

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations; and this Issue is an "Initial Public Offer" in terms of the SEBI (ICDR) Regulations.

Our Company is eligible for the Issue in accordance with Regulation 106(M) (2) and other provisions of Chapter XB of the SEBI (ICDR) Regulations, as we are an Issuer whose post issue paid up capital is not more than ₹25 crores and we may hence issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the "SME Platform of NSE").

We confirm that:



- 1. In accordance with Regulation 106(P) of the SEBI (ICDR) Regulations, this issue will be 100% underwritten and that the BRLM to the Issue shall underwrites minimum 15% of the Total Issue Size. For further details pertaining to said underwriting please refer to section titled "General Information Underwriting" beginning on page 60 of this Draft Red Herring Prospectus.
- 2. In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be unblocked forthwith. If such money is not repaid within eight (8) Working Days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight (8) Working Days, be liable to repay such application money, with an interest at the rate as prescribed under the Companies Act 2013.
- 3. In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, we have not filed any of this Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our Book Running Lead Manager submits a copy of the Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.
- 4. In accordance with Regulation 106(V) of the SEBI (ICDR) Regulations, we hereby confirm that we have entered into an agreement with the Book Running Lead Manager and will enter into agreement with Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of Equity Shares on the SME Platform of NSE. For further details of the arrangement of market making please refer to section titled "General Information Details of the Market Making Arrangements for this Issue" beginning on page 60 of this Draft Red Herring Prospectus.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter XB of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and sub-regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to us in this Issue.

- 5. Our Company shall mandatorily facilitate trading in demat securities for which we have entered into an agreement with the Central Depository Services Limited (CDSL) dated [●] and National Securities Depository Limited dated [●] for establishing connectivity.
- 6. Our Company has a website i.e. www.cabconindia.com
- 7. There has been no change in the promoter's of the Company in the preceding one year from date of filing application to NSE for listing on SME segment.

We confirm that we comply with all the below requirements / conditions so as to be eligible to be listed on the SME Platform of the NSE (NSE EMERGE):-

- 1. Our Company was originally incorporated as "Cabcon India Pvt Ltd" on February 1, 1991 vide Registration Certificate No. 21-50809 of 1991 under the provisions of the Companies Act, 1956 with the Registrar of Companies, West Bengal. Further, pursuant to Special Resolution passed by the shareholders at the Extra Ordinary General Meeting held on April 18, 2018, our company was converted into a Public Limited Company and consequently the name of our Company was changed form "Cabcon India Pvt Ltd" to "Cabcon India Limited" vide a fresh Certificate of Incorporation dated May 9, 2018 having CIN U31200WB1991PLC050809 issued by the Registrar of Companies, Kolkata, West Bengal.
- 2. The post issue paid up capital of the company will be 2,04,26,545 shares of face value of ₹ 10/- aggregating to ₹ 2042.65 lakhs which is less than ₹ 25 Crore.



- 3. The company confirms that it has track record of more than 3 years.
- 4. The company confirms that it has positive cash accruals (earnings before depreciation and tax) from operations for at least 2 financial years preceding the application and its net-worth as on March 31, 2017 is positive.
- 5. Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
- 6. There is no winding up petition against our Company that has been admitted by the Court or a liquidator has not been appointed of competent Jurisdiction against the Company.
- 7. No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the company.
- 8. Our Company confirms that there is no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoters, Group Companies, companies promoted by the promoters of the company.

## Compliance with Part A of Schedule VIII of the SEBI (ICDR) Regulations

Our Company is in compliance with the provisions specified in Part A of the SEBI (ICDR) Regulations. No exemption from eligibility norms has been sought under Regulation 109 of the SEBI (ICDR) Regulations, with respect to the Issue. Further, our Company has not been formed by the conversion of a partnership firm into a company.

#### DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MERCHANT BANKER, HEM SECURITIES LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE LEAD MERCHANT BANKER, HEM SECURITIES LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED [●] WHICH READS AS FOLLOWS:

WE, THE UNDER NOTED BOOK RUNNING LEAD MANAGER TO THE ABOVE MENTIONED FORTHCOMING ISSUE STATE AND CONFIRM AS FOLLOWS:

1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE DRAFT RED HERRING PROSPECTUS PERTAINING TO THE SAID ISSUE



- 2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:
  - A. THE DRAFT RED HERRING PROSPECTUS FILED WITH THE BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;
  - B. ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND
  - C. THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013, APPLICABLE PROVISIONS OF THE COMPANIES ACT, 1956, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.
- 3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.
- 4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS. NOTED FOR COMPLIANCE
- 5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTER HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT RED HERRING PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT RED HERRING PROSPECTUS. NOTED FOR COMPLIANCE
- 6. WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS.
- 7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED



COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – NOT APPLICABLE

- 8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.
- 9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE DRAFT RED HERRING PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION NOTED FOR COMPLIANCE
- 10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE. NOT APPLICABLE AS IN TERMS OF THE PROVISIONS OF SECTION 29 OF THE COMPANIES ACT, 2013 A PUBLIC OFFER SHALL BE IN DEMATERIALIZED FORM ONLY.
- 11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.
- 12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS:
  - A. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND
  - B. AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.
- 13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE. NOTED FOR COMPLIANCE
- 14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OR THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE, ETC.
- 15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE,



PAGE NUMBER OF THE DRAFT RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.

- 16. WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKER BELOW (WHO ARE RESPONSIBLE FOR PRICING THIS ISSUE)', AS PER FORMAT SPECIFIED BY SEBI THROUGH CIRCULAR NO. CIR/CFD/DIL/7/2015 DATED OCTOBER 30, 2015.
- 17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS-TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED IN ACCORDANCE WITH ACCOUNTING STANDARD-18 IN THE FINANCIAL INFORMATION OF THE COMPANY INCLUDED IN THE DRAFT RED HERRING PROSPECTUS.

ADDITIONAL CONFIRMATIONS/ CERTIFICATION TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING SME EXCHANGE

- 1. WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.
- 2. WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN DRAFT RED HERRING PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN. NOTED FOR COMPLIANCE
- 3. WE CONFIRM THAT THE ABRIDGED PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 NOTED FOR COMPLIANCE.
- 4. WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER NOTED FOR COMPLIANCE.
- 5. WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISO TO SUB-REGULATION (4) OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009; CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE DRAFT RED HERRING PROSPECTUS. NOT APPLICABLE
- 6. WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 106P AND 106V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE. NOTED FOR COMPLIANCE

# Note:

The filing of this Draft Red Herring Prospectus does not, however, absolve our company from any liabilities under section 34, section 35, Section 36 and Section 38 (1) of the Companies Act, 2013 or from the requirement of obtaining such statutory and / or other clearances as may be required for the purpose of the proposed Issue. SEBI



further reserves the right to take up at any point of time, with the BRLM any irregularities or lapses in the Draft Red Herring Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Kolkata in terms of sections 26, 32 and 33 of the Companies Act, 2013.

# Statement on Price Information of Past Issues handled by Hem Securities Limited:

Sr. No.	Issue name	Issue size (Rs in Cr.)	Issue Price (Rs.)	Listing date	Opening Price on listing date	+/-% change in closing price, [+/- % change in closing benchmark]-30 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]-90 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]-180 <sup>th</sup> calendar days from listing
1.	Pashupati Cotspin Limited	20.88	75.00	Septem ber 08, 2017	77.00	-0.13% [0.54%]	-1.47% [2.33%]	-5.33% [2.21%]
2.	Share India Securities Limited	26.37	41.00	October 05, 2017	44.75	49.27% [6.30%]	112.32% [6.97%]	158.54% [5.36%]
3.	RKEC Projects Limited	28.70	45.00	October 09, 2017	54.00	202.22% [3.15%]	281.78% [6.36%]	195.56% [3.91%]
4.	D. P. Abhushan Limited	16.61	28.00	October 23, 2017	33.60	92.86% [1.55%]	162.50% [7.67%]	150% [3.93%]
5.	ANI Integrated Services Limited	25.656	100.0	Novem ber 20, 2017	120.00	67.00% [1.41%]	21% [0.77%]	12% [2.12%]
6.	Dynamic Cables Limited	23.376	40.00	Decemb er 14, 2017	48.00	63.13% [4.80%]	25% [1.77%]	NA
7.	Vasa Retail and Overseas Limited	4.8	30.00	Februar y 06, 2018	36.00	104.33% [-2.43]	70% [-2.06]	NA
8.	Hindcon Chemicals Limited	7.728	28.00	March 09, 2018	33.60	[6.61%] [1.49%]	NA	NA
9.	Tara Chand Logistic Solutions Limited	20.46	55.00	March 23, 2018	49.00	-12.73% [-5.87]	NA	NA
10.	Dhruv Consultancy Services Limited	23.198	54.00	May 10, 2018	53.40	NA	NA	NA

Source: Price Information www.bseindia.com. www.nseindia.com, Issue Information from respective Prospectus.

# **Summary statement of Disclosure:**

Financia	Tota	Total	No. of IPOs	No. of IPOs	No. of IPOs	No. of IPOs
l Year	l no.	amount	trading at	trading at	trading at	trading at
	of	of funds	discount- 30 <sup>th</sup>	Premium- 30 <sup>th</sup>	discount- 180 <sup>th</sup>	Premium- 180 <sup>th</sup>
	IPOs	raised	calendar days	calendar days	calendar days	calendar days



		(Rs. Cr.)	fro	m listi	ng	fr	om listii	ng	fro	m listin	ıg	fre	om listi	ng
			Ove	Bet	Le	Ov	Betw	Les	Over	Bet	Les	Over	Bet	Les
			r	we	SS	er	een	S	50%	ween	S	50%	ween	S
			50	en	tha	50	25-	tha		25-	tha		25-	tha
			%	25-	n	%	50%	n		50%	n		50%	n
				50	25			25			25			25
				%	%			%			%			%
2013-14	3 <sup>(1)</sup>	10.66	-	-	1	1	1	-	-	-	-	2	-	1
2014-15	$7^{(2)}$	38.25	-	-	-	2	-	5	-	-	-	3	-	4
2015-16	8 <sup>(3)</sup>	34.20	-	-	1	2	2	3	-	-	-	3	1	4
2016-17	$12^{(4)}$	99.90	-	-	2	3	3	4	-	-	3	3	2	4
2017-18	16 <sup>(5)</sup>	234.21	-	1	4	6	2	3	-	-	3	5	2	1
2018-19	$1^{(6)}$	23.1984	-	-	-	-	-	-	-	-	-	-	-	-

<sup>(1)</sup> The scrips of Samruddhi Realty Limited, Captain Polyplast Limited and Tentiwal Wire Products Limited were listed on April 12, 2013, December 11, 2013 and December 31, 2013 respectively.

(2)The scrips of R&B Denims Limited, Bansal Roofing Products Limited, Atishay Infotech Limited, Dhabriya Polywood Limited, Vibrant Global Capital Limited, ADCC Infocad Limited and Captain Pipes Limited were listed on April 22, 2014, July 14, 2014, October 16, 2014, October 17, 2014, October 21, 2014, October 22, 2014, and December 11, 2014 respectively.

(3)The scrips of O.P. Chains Limited, Junction Fabrics and Apparels Limited, Loyal Equipments Limited, Emkay Taps & Cutting Tools Limited, Universal Autofoundry Limited, Bella Casa Fashion and Retail Limited, Vishal Bearings Limited and Cawasji Behramji Catering Services Limited were listed on April 22, 2015, July 10, 2015, July 16, 2015, August 13, 2015, September 4, 2015, October 15, 2015, October 15, 2015 and October 19, 2015 respectively.

(4) The scrips of Raghav Ramming Mass Limited, Advance Syntex Limited, Madhya Bharat Agro Products Limited, Aurangabad Distillery Limited, Pansari Developers Limited, Dhanuka Realty Limited, Globe International Carriers Limited, Art Nirman Limited, Krishana Phoschem Limited, Global Education Limited, RMC Switchgears Limited and Laxmi Cotspin Limited were listed on April 13, 2016, July 12, 2016, September 16, 2016, October 17, 2016, October 18th, 2016, October 18th, 2016, October 19th, 2016, February 27, 2017, March 02, 2017, March 14, 2017 and March 31, 2017 respectively.

(5) The Scrips of Dev Information Technology Limited, Vadivarhe Speciality Chemicals Limited, Globe Textiles (India) Limited, Accord Synergy Limited, Captain Technocast Limited, Shanti Overseas (India) Limited, Surevin BPO Services Limited, Pashupati Cotspin Limited, Share India Securities Limited, RKEC Projects Limited, D. P. Abhushan Limited, ANI Integrated Services Limited, Dynamic Cables Limited, Vasa Retail and Overseas Limited, Hindcon Chemicals Limited and Tara Chand Logistic Solutions Limited was listed on April 17, 2017, June 02, 2017, June 23, 2017, July 06, 2017 August 01, 2017, August 03, 2017, August 09, 2017, September 08, 2017, October 05, 2017, October 09, 2017, October 23, 2017, November 20, 2017, December 14, 2017, February 06, 2018, March 09, 2018 and March 23, 2018 respectively. Further, the Scrips of Dynamic Cables Limited, Vasa Retail and Overseas Limited has not completed 180<sup>th</sup> days from the date of their listing. Moreover, the scrip of Hindcon Chemicals Limited and Tara Chand Logistic Solutions Limited has not completed 90th and 180th days from the date of its listing.

(6) The scrip of Dhruv Consultancy Services Limited was listed on May 10, 2018 and has not completed its 30<sup>th</sup> day from the date of its listing.

#### Note:

- a) Based on date of listing.
- b) BSE SENSEX and CNX NIFTY have been considered as the benchmark index.
- c) Prices on BSE/NSE are considered for all of the above calculations.
- d) In case 30<sup>th</sup> /90<sup>th</sup> /180<sup>th</sup> day is not a trading day, closing price on BSE/NSE of the next trading day has been considered.



- e) In case 30<sup>th</sup> /90<sup>th</sup> /180<sup>th</sup> day, scrips are not traded then last trading price has been considered.
- f) N.A. Period not completed.
- g) As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect max. 10 issues (initial public offerings managed by the lead manager. Hence, disclosures pertaining to recent 10 issues handled by lead manager are provided.

## Track Record of past issues handled by Hem Securities Limited

For details regarding track record of BRLM to the Issue as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the BRLM at: <a href="https://www.hemsecurities.com">www.hemsecurities.com</a>

## Disclaimer from our Company and the Book Running Lead Manager

Our Company, its Directors and the Book Running Lead Manager accept no responsibility for statements made otherwise than those contained in this Draft Red Herring Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk.

The BRLM accept no responsibility, save to the limited extent as provided in the Issue Agreement entered between the BRLM (Hem securities Limited) and our Company on May 31, 2018 and the Underwriting Agreement dated [●] entered into between the Underwriters and our Company and the Market Making Agreement dated [●] entered into among the Market Maker and our Company.

All information shall be made available by our Company and the Book Running 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 collection centres or elsewhere.

The Book Running Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, Group Companies, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Companies, and our affiliates or associates, for which they have received and may in future receive compensation.

## Note

Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company and 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 Equity Shares of our Company and will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the 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 in the Issue.

## **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 majors, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, cooperative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a



minimum corpus of ₹ 2,500.00 Lakhs and pension funds with a minimum corpus of ₹ 2,500.00 Lakhs, and permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. This Draft Red Herring Prospectus does not, however, constitute an offer to sell or an invitation to subscribe for Equity Shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to jurisdiction of the competent court(s) in Kolkata, West Bengal, India only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

#### Disclaimer Clause of the SME Platform of NSE

As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter [•] permission to the Issuer to use the Exchange's name in this Offer Document as the designated stock exchange on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its Promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

#### Disclaimer Clause under Rule 144A of the U.S. Securities Act

The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S 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.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.



# **Filing**

The Draft Red Herring Prospectus is being filed with National Stock Exchange of India Limited, Exchange Plaza, Plot No. C/1, G Block, Bandra- Kurla Complex, Bandra (East), Mumbai-400051, Maharashtra

A copy of this Draft Red Herring Prospectus shall not be filed with the SEBI, nor will SEBI issue any observation on the Prospectus in term of Regulation 106(M) (3) of the SEBI (ICDR) Regulations. However, a copy of the Prospectus shall be filed with SEBI at SEBI Eastern Regional Office, L&T Chambers, 3rd Floor, 16 Camac Street, Kolkata - 700017, West Bengal for their record purpose only.

A copy of the Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 would be delivered for registration to the Registrar of Companies, Nizam Palace, 2nd MSO Building, 2nd Floor, 234/4, A.J.C.B. Road, Kolkata – 700020, West Bengal, India.

#### Listing

The Equity Shares of our Company are proposed to be listed on NSE EMERGE. Our Company has obtained inprinciple approval from NSE by way of its letter dated [•] for listing of equity shares on NSE EMERGE.

NSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue. If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform is not granted by NSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of this Draft Red Herring Prospectus. If such money is not repaid within the prescribed time then our Company becomes liable to repay it, then our Company and every officer in default shall, shall be liable to repay such application money, with interest, as prescribed under the applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of NSE mentioned above are taken within Six (6) Working Days of the Issue Closing Date. If Equity Shares are not Allotted pursuant to the Offer within Six (6) Working Days from the Issue Closing Date or within such timeline as prescribed by the SEBI, our Company shall repay with interest all monies received from applicants, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period, subject to applicable law.

#### **Impersonation**

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

Any person who-

- a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

Shall be liable to action under section 447 of the Companies, Act 2013

## **Consents**

Consents in writing of (a) Our Directors, Our Promoters, Our Company Secretary & Compliance Officer, Chief Financial Officer, Our Statutory Auditor, Our Peer Review Auditor, Our Banker to the Company\*; (b) Book Running Lead Manager, Registrar to the Issue, Banker to the Issue\*, Legal Advisor to the Issue, Underwriter to the Issue\* and Market Maker to the Issue\* to act in their respective capacities have been be obtained as required as



required under section 26 of the Companies Act, 2013 and shall be filed along with a copy of the Prospectus with the RoC, as required under Sections 32 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

\*The aforesaid will be appointed prior to filing of the Prospectus with RoC and their consents as above would be obtained prior to the filing of the Prospectus with RoC.

In accordance with the Companies Act and the SEBI (ICDR) Regulations, M/s SRB & Associates, Chartered Accountants Statutory Auditor and Mansaka Ravi & Associates, Peer Review Auditors of the Company has agreed to provide their written consent to the inclusion of their respective reports on Statement of Possible Tax Benefits relating to the possible tax benefits and restated Standalone financial statements & restated Consolidate financial statements as included in this Draft Red Herring Prospectus/Red Herring Prospectus/ Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of this Draft Red Herring Prospectus.

# **Experts Opinion**

Except for the reports in the section "Financial information of the Company" and "Statement of Tax Benefits" on page 189 and page 291 of this Draft Red Herring Prospectus from the Statutory & Peer Review Auditors, our Company has not obtained any expert opinions. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act 1933.

# **Expenses of the Issue**

The total expenses of the Issue are estimated to be approximately Rs. [•] Lakh, which is [•] of the Issue size. The estimated Issue related expenses include Issue Management Fee, underwriting and management fees SCSB's commission/ Selling commission, fees, printing and distribution expenses, legal fees, statutory advertisement expenses, registrar and depository fees and listing fees. All expenses with respect to the Issue would be paid by our company.

The Estimated Issue expenses are as under:-

S.No	Particulars	Amount (₹ in Lacs)	Percentage of Total Estimated Issue Expenditure (%)	Percentage of Issue Size (%)
1.	Payment to Merchant Banker including, underwriting and selling commissions, brokerages, payment to other intermediaries such as Legal Advisors, Bankers etc and other out of pocket expenses*	[•]	[•]	[●]
2.	Printing and Stationery and postage expenses, Advertising and Marketing expenses	[•]	[•]	[•]
3.	Advertising and Marketing expenses	[•]	[•]	[•]
4.	Regulatory fees and expenses	[•]	[•]	[•]
	Total estimated Issue Expenses	[•]	[•]	[•]

<sup>\*\*</sup>SCSBs will be entitled to a processing fee of Rs.  $\P[/]$  - per Application Form for processing of the Application Forms procured by other Application Collecting Intermediary and submitted to them on successful allotment. Selling commission payable to Registered broker, SCSBs, RTAs, CDPs on the portion directly procured from Retail Individual Applicants and Non Institutional Applicants, would  $b \bullet ]\%$  on the Allotment Amount or Rs  $[\bullet]/$  - whichever is less on the Applications wherein shares are allotted.

# Fees, Brokerage and Selling Commission payable to the BRLM

The total fees payable to the Book Running Lead Manager will be as per the (i) Issue Agreement dated May 31,



2018 with the Book Running Lead Manager Hem Securities Limited, (ii) the Underwriting Agreement dated [●] with Underwriter [●] and (iii) the Market Making Agreement dated [●] with Market Maker [●], a copy of which is available for inspection at our Registered Office from 10.00 am to 5.00 pm on Working Days from the date of the Draft Red Herring Prospectus until the Issue Closing Date.

# Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue for processing of applications, data entry, printing of CAN, tape and printing of bulk mailing register will be as per the agreement between our Company and the Registrar to the Issue dated May 31, 2018 a copy of which is available for inspection at our Company's Registered Office.

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 allotment advice by registered post/speed post.

## Particulars regarding Public or Rights Issues during the last five (5) years

Our Company has not made any previous public or rights issue in India or Abroad the five (5) years preceding the date of this Draft Red Herring Prospectus.

#### Previous issues of Equity Shares otherwise than for cash

For detailed description please refer to section titled "Capital Structure" beginning on page 70 of this Draft Red Herring Prospectus.

# Underwriting Commission, brokerage and selling commission on Previous Issues

Since this is the initial public offering of our Company's Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares since our incorporation.

Particulars in regard to our Company and other listed group-companies / subsidiaries/ associates under the same management within the meaning of Section 370(1B) of the Companies Act, 1956 / Section 186 of the Companies Act, 2013 which made any capital issue during the last three years:

Neither our Company nor any other companies under the same management within the meaning of Section 370(1B) of the Companies Act, 1956 has made/Section 186 of the Companies Act, 2013, had made any public issue or rights issue during the last three years.

# Performance vis-a-vis objects - Public/right issue of our Company and /or listed Group Companies/subsidiaries and associates of our Company

Except as stated in the chapter titled "Capital Structure" beginning on page 70 of this Draft Red Herring Prospectus our Company has not undertaken any previous public or rights issue. None of the Group Companies or associates of our Company are listed on any stock exchange.

## Performance vis-a-vis objects - Last Issue of Group/Associate Companies

All of our Group / Associate body corporate are unlisted and have not made a public issue of shares.

## **Outstanding Debentures or Bond Issues or Redeemable Preference Shares**

Our Company does not have any outstanding debentures or bonds or Preference Redeemable Shares as on the date of filing this Draft Red Herring Prospectus.



#### **Outstanding Convertible Instruments**

Our Company does not have any outstanding convertible instruments as on the date of filing this Draft Red Herring Prospectus.

# **Option to Subscribe**

Equity Shares being offered through the Draft Red Herring Prospectus can be applied for in dematerialized form only.

## Stock Market Data of the Equity Shares

This being an initial public offering of the Equity Shares of our Company, the Equity Shares are not listed on any Stock Exchanges.

#### **Mechanism for Redressal of Investor Grievances**

The agreement between the Registrar to the Issue and our Company provides for retention of records with the Registrar to the Issue for a period of at least three (3) years from the last date of dispatch of the letters of allotment and demat credit to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

We hereby confirm that there is no investor complaints received during the three years preceding the filing of Draft Red Herring Prospectus. Since there is no investor complaints received, none are pending as on the date of filing of this Draft Red Herring Prospectus.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, with a copy to the Compliance Officer and with a copy to the relevant Designated Intermediary with whom the Application Form was submitted and.

The Applicant should give full details such as name of the sole/ first Applicant, Application Form number, Applicant DP ID, Client ID, PAN, date of the Application Form, address of the Applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Application Form was submitted by the Applicant. Further, the investor shall also enclose the Acknowledgement Slip from the Designated Intermediaries in addition to the documents or information mentioned herein above.

## Disposal of Investor Grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be fifteen (15) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Mr. Narendra Purohit, Company Secretary, as the Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary and Compliance Officer are as follows:

Mr. Narendra Purohit Cabcon India Limited

1<sup>st</sup> floor, Terminus Building BG-12, Action area, 1-B, New town, Rajarhat Kolkata 700156 West Bengal Tel. No. +91-33-40365000

Fax: 033-40365001

E-mail: narendrapurohit@cabconindia.com

Website: www.cabconindia.com



Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account etc.

Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web based complaints redress system "SCORES". This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website www.scores.gov.in

## **Status of Investor Complaints**

We confirm that we have not received any investor compliant during the three years preceding the date of this Draft Red Herring Prospectus and hence there are no pending investor complaints as on the date of this Draft Red Herring Prospectus.

# Disposal of investor grievances by listed companies under the same management as Our Company

We do not have any listed company under the same management.

#### Change in Auditors during the last three (3) years

Except for the change in auditor from M/s Jai Pandya & Associates to SRB & Associates during the year 2017-18, there have been no changes in our Company's auditors in the last three (3) years.

#### **Capitalization of Reserves or Profits**

Except as disclosed under section titled "Capital Structure" beginning on page 70 of this Draft Red Herring Prospectus, our Company has not capitalized its reserves or profits at any time during the last five (5) years.

#### **Revaluation of Assets**

Our Company has not revalued its assets in five (5) years preceding the date of this Draft Red Herring Prospectus.

# **Tax Implications**

Investors who are allotted Equity Shares in the Issue will be subject to capital gains tax on any resale of the Equity Shares at applicable rates, depending on the duration for which the investors have held the Equity Shares prior to such resale and whether the Equity Shares are sold on the Stock Exchanges. For details, please refer the section titled "Statement of Tax Benefits" beginning on page 113 of this Draft Red Herring Prospectus.

#### **Purchase of Property**

Other than as disclosed in Section "*Our Business*" on page 125 of the Draft Red Herring Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of the Draft Red Herring Prospectus, other than property, in respect of which:-

The contract for the purchase or acquisition was entered into in the ordinary course of business, or the contract was entered into in contemplation of the Issue, or that the Issue was contemplated in consequence of the contract; or the amount of the purchase money is not material.

Except as stated elsewhere in the Draft Red Herring Prospectus, our Company has not purchased any property in which the Promoter and/or Directors have any direct or indirect interest in any payment made there under.

#### **Servicing Behavior**



Except as stated in this Draft Red Herring Prospectus, there has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

# Payment or benefit to officers of Our Company

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company or superannuation.

Except as disclosed in chapter titled "Our Management" beginning on page 156 and "Note 30 – Restated standalone summary statement of related party transaction" beginning on page 235 of the Draft Red Herring Prospectus, none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.



#### SECTION VII – ISSUE RELATED INFORMATION

# **TERMS OF THE ISSUE**

The Equity Shares being offered are subject to the provisions of the Companies Act, 2013, SCRR, 1957, SEBI (ICDR) Regulations, 2009, our Memorandum and Articles of Association, the terms of the Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, 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, the FIPB, the ROC and/or other authorities, as in force on the date of the Issue and to the extent applicable.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November, 10th 2015, all the investors applying in this Issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment i.e. just writing their bank account numbers and authorising the banks to make payment in case of allotment by signing the application forms.

## **Authority for the Issue**

The present Public Issue of 54,96,000 Equity Shares which have been authorized by a resolution of the Board of Directors of our Company at their meeting held on May 24, 2018 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra-ordinary General Meeting held on May 26, 2018 in accordance with the provisions of Section 62 (1) (c) of the Companies Act, 2013.

#### **Ranking of Equity Shares**

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 and our Memorandum and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares of our Company 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 refer to "Main Provisions of Articles of Association of the Company" on page 400 of the Draft Red Herring Prospectus.

# **Mode of Payment of Dividend**

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and recommended by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act. For further details, please refer to "Dividend Policy" on page 188 of the Draft Red Herring Prospectus.

#### **Face Value and Issue Price**

The Equity Shares having a Face Value of ₹ 10.00 each and the Issue Price at the lower end of Price Band is Rs. [•] per Equity Share and at the higher end of the Price Band is Rs. [•] per Equity Share.

The Price Band and the maximum bid lot size for the issue will be decided by our Company in consultation with the BRLM and advertised in ●[] edition of the English national newspaper [●], [●] edition of the Hindi national newspaper [●] and the regional newspaper [●], each with wide circulation, at least five (5) Working Days prior to the Bid/ Issue Opening Date. The Price Band, along with the relevant financial ratios calculated at the Floor Price



and at the Cap Price, shall be pre-filled in the Bid-cum-Application Forms available at the websites of the Stock Exchanges..

At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

# Compliance with the disclosure and accounting norms

Our Company shall comply with all requirements of the SEBI ICDR Regulations. Our Company shall 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 receive Annual Reports & Notices to members
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
- Right of free transferability of the Equity Shares; and
- Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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, transfer, transmission and/ or consolidation/ splitting, etc., please refer to Section titled "Main Provisions of Articles of Association of the Company" beginning on page 400 of the Draft Red Herring Prospectus.

#### Minimum Application Value, Market Lot and Trading Lot

As per regulations made under and Section 29(1) of the Companies Act, 2013 the Equity Shares to be allotted must be in Dematerialized form i.e. not in the form of physical certificates but be fungible and be represented by the statement issued through electronic mode. Hence, the Equity Shares being offered can be applied for in the dematerialized form only. In this context, two agreements shall be signed among our Company, the respective Depositories and Registrar to the Issue.

- Tripartite Agreement dated [●] between NSDL, our Company and Registrar to the Issue; and
- Tripartite Agreement dated [•] between CDSL, our Company and Registrar to the Issue; and

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the SME platform of NSE from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of ♠] Equity Shares and is subject to a minimum allotment of [♠] Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

Further, in accordance with Regulation 106(Q) of the SEBI (ICDR) Regulations the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

#### **Minimum Number of Allottees**



The minimum number of allottees in the Issue shall be 50 shareholders In case the number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the amounts in the ASBA Account shall be unblocked forthwith.

#### **Joint Holders**

Where 2 (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 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 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 the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale 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 Section 72 of the Companies Act, 2013 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:

- 1. To register himself or herself as the holder of the Equity Shares; or
- 2. To make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 (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.

Since the allotment of Equity Shares in the Issue 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.

#### **Bid/Issue Period**

BID/ISSUE OPENS ON*	[•]
BID/ISSUE CLOSES ON**	[•]
FINALISATION OF BASIS OF ALLOTMENT	[•]
INITIATION OF REFUNDS FOR ANCHOR INVESTORS/UNBLOCKING	[•]
OF FUNDS	
CREDIT OF EQUITY SHARES TO DEPOSITORY ACCOUNTS	[•]

<sup>\*</sup> Our Company, in consultation with the BRLM, may consider participation by Anchor Investors. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Issue Opening Date.

This timetable, other than Bid/Issue Opening and Closing Dates, is indicative in nature and does not constitute any obligation or liability on our Company or the members of the Syndicate. While we will use best efforts to ensure that listing and trading of our Equity Shares on the Stock Exchange commences within six

<sup>\*\*</sup>Our Company, in consultation with the BRLM, may decide to close the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date, in accordance with the SEBI ICDR Regulations.



Working Days of the Bid/Issue Closing Date, the timetable may be subject to change for various reasons, including any delays in receipt of final listing and trading approvals from the Stock Exchange, delay in receipt of final certificates from SCSBs, etc. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange in accordance with applicable laws.

Except in relation to the Bids received from Anchor Investors, Bids and any revision in Bids will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Bid/ Issue Period at the Bidding Centres, except that on the Bid/ Issue Closing Date (which for QIBs may be a day prior to the Bid/ Issue Closing Date for non-QIBs), Bids will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until (i) 4.00 p.m. (Indian Standard Time) by QIBs and Non-Institutional Investors; and (ii) 5.00 p.m. (Indian Standard Time) or such extended time permitted by the Stock Exchange, in case of Bids by Retail Individual Investors, On the Bid/ Issue Closing Date, extension of time may be granted by the Stock Exchange only for uploading Bids received from Retail Individual Investors, after taking into account the total number of Bids received up to closure of timings for acceptance of Bid cum Application Forms as stated herein and reported by the BRLM to the Stock Exchange. Due to limitation of time available for uploading Bids on the Bid/ Issue Closing Date, Bidders are advised to submit Bids one day prior to the Bid/ Issue Closing Date and, in any case, no later than 1.00 p.m. (Indian Standard Time) on the Bid/Issue Closing Date. If a large number of Bids are received on the Bid/ Issue Closing Date, as is typically experienced in public issues, which may lead to some Bids not being uploaded due to lack of sufficient time to upload, such Bids that cannot be uploaded on the electronic bidding system will not be considered for allocation in the Issue. Our Company and the members of the Syndicate will not be responsible for any failure in uploading Bids due to faults in any hardware/software system or otherwise. Bids will be accepted only on Working Days. It is clarified that ASBA Bids not uploaded on the electronic bidding system would be rejected.

Our Company, in consultation with the BRLM, reserves the right to revise the Price Band during the Bid/Issue Period, in accordance with the SEBI ICDR Regulations, provided that the Cap Price will be less than or equal to 120% of the Floor Price and the Floor Price will not be less than the face value of the Equity Shares. Subject to compliance with the foregoing, the Floor Price may move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly.

In case of revision in the Price Band, the Bid/Issue Period will be extended for at least three additional Working Days after revision of Price Band subject to the Bid/Issue Period not exceeding ten Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchangs, by issuing a press release and by indicating the change on the website and terminal of the Designated Intermediaries.

## **Minimum Subscription**

In accordance with Regulation 106 P (1) of the SEBI (ICDR) Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the offer through the Draft Red Herring Prospectus and shall not be restricted to the minimum subscription level.

As per section 39 of the Companies Act 2013, if the "**stated minimum amount**" has not been subscribed and the sum payable on Application is not received within a period of 30 days from the date of issue of Prospectus, the application money has to be returned within such period as may be prescribed.

If the issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriters within 60 (sixty) days from the date of closure of the issue, the issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond 8 (eight) days after the issuer becomes liable to pay the amount, the issuer shall pay interest prescribed under Section 39 read with Rule 11 of Companies(Prospectus and Allotment of Securities) Rules, 2014 of the Companies Act, 2013 and other applicable laws, if any.

In accordance with Regulation [106R] of SEBI ICDR Regulations, 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 amounts in the ASBA Account shall be unblocked forthwith.



The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, in accordance with Regulation 106( R) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will allotted will not be less than 50 (Fifty)

Further, in accordance with Regulation 106 Q of the SEBI (ICDR) Regulations the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

## Arrangements for disposal of odd lots

The trading of the Equity Shares will happen in the minimum contract size of shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. 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 SME Platform of NSE.

## Application by Eligible NRIs, FPIs or VCFs registered with SEBI

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

## As per the extant policy of the Government of India, OCBs cannot participate in this Issue.

NRIs, FPIs/FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public offer without the prior approval of the RBI, so long as the price of the equity shares to be issued is not less than the price at which the equity shares are issued to residents. The transfer of shares between an Indian resident and 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 foreign direct investment ("FDI") Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

# Restrictions on transfer and transmission of shares or debentures and on their consolidation or splitting

Except for lock-in of the Pre- Issue Equity Shares and Promoter minimum contribution in the Issue as detailed in the section titled "Capital Structure" beginning on page 70 of the Draft Red Herring Prospectus, and except as provided in the Articles of Association of our Company, there are no restrictions on transfers of Equity Shares. There are no restrictions on transfer and transmission of shares/ debentures and on their consolidation/ splitting except as provided in the Articles of Association. For further details please refer sub-heading "Main Provisions of the Articles of Association" on page 400 of the Draft Red Herring Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Managers do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the



Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring 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.

# Option to receive Equity Shares in Dematerialized Form

As per section 29(1) of the new Companies Act 2013 and in accordance with SEBI (ICDR) Regulations, every company making public offer shall issue securities in dematerialized form only. The investors have an option either to receive the security certificate or to hold the securities with depository. However, as per SEBI's circular RMB (compendium) series circular no. 2 (1999-2000) dated February 16, 2000, it has been decided by the SEBI that trading in securities of companies making an initial public offer shall be in dematerialized form only. The Equity Shares on Allotment will be traded only on the dematerialized segment of the SME Exchange.

## Migration to Main Board

In accordance with the NSE Circular dated November 26, 2012, our Company will have to be mandatorily listed and traded on the SME Platform of the NSE for a minimum period of two years from the date of listing and only after that it can migrate to the Main Board of the NSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter XB of the SEBI (ICDR) Regulations. Our Company may migrate to the Main Board of NSE from the SME Exchange on a later date subject to the following:

• If the Paid up Capital of the Company is likely to increase above ₹ 25 Crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the Company has obtained in-principal approval from the main board), we shall have to apply to NSE for listing our shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board

OR

• If the Paid up Capital of the company is more than Rs. 10 Crore but below Rs. 25 Crore, Our Company may still apply for migration to the Main Board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

# **Market Making**

The shares offered through this Issue are proposed to be listed on the SME platform of NSE, wherein the Book Running Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME Exchange for a minimum period of 3 (three) years from the date of listing on the SME platform of NSE. For further details of the agreement entered into between the Company, the Book Running Lead Manager and the Market Maker please refer to section titled "General Information - Details of the Market Making Arrangements for this Issue" on page 60 of the Draft Red Herring Prospectus.

In accordance with the SEBI Circular No. CIR/MRD/DSA/31/2012 dated November 27, 2012, it has been decided to make applicable limits on the upper side for the Market Makers during market making process taking into consideration the Issue size in the following manner:

Issue Size	Buy quote exemption threshold	Re-Entry threshold for buy quote
	(including mandatory initial inventory of 5% of the Issue Size)	(including mandatory initial inventory of 5% of the Issue Size)
_	, ,	
Up to ₹20 Crore	25%	24%
₹ 20 to ₹50 Crore	20%	19%



Further, the Market Maker shall give (2) Two way quotes till it reaches the upper limit threshold; thereafter it has the option to give only sell quotes. Two (2) way quotes shall be resumed the moment inventory reaches the prescribed re-entry threshold.

In view of the Market Maker obligation, there shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts its inventory through market making process on the platform of the exchange, the concerned stock exchange may intimate the same to SEBI after due verification.

#### **New Financial Instruments**

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

#### **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act, 2013 our Company shall, after registering the Prospectus with the ROC publish a pre-Issue advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated.

#### Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Kolkata, West Bengal, India. 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 may not be offered or sold within the United States, except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur. The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.



### **ISSUE STRUCTURE**

This Issue is being made in terms of Regulation 106(M) (2) of Chapter XB of SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer whose post issue paid up face value capital is more than Ten Crore rupees and upto twenty five 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 NSE). For further details regarding the salient features and terms of such an issue please refer chapter titled "Terms of the Issue" and "Issue Procedure" on page 338 and 351 of the Draft Red Herring Prospectus.

The Issue comprise of a Public Issue of 54,96,000 Equity Shares of Face Value of  $\ref{10}$ — each fully paid (The "Equity Shares") for cash at a price of  $\ref{10}$ — per Equity Shares (including a premium of  $\ref{10}$ — per equity share) aggregating to  $\ref{10}$ — ("the issue") by our Company of which 2,76,000 Equity Shares of  $\ref{10}$ — 10 each will be reserved for subscription by Market Maker Reservations Portion and a Net Issue to public of 52,20,000 Equity Shares of  $\ref{10}$ — 10 each is hereinafter referred to as the net issue. The Issue and the Net Issue will constitute 26.91 % and 25.55 % respectively of the post issue paid up Equity Share Capital of the Company.

The Issue is being made by way of Book Building Process

Particulars of the Issue	QIB*	Market Maker Reservation Portion	Non – Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for allocation**	Upto [•] Equity Shares.	Upto [•] Equity Shares	Not less than [•] Equity Shares or Issue less allocation to QIBs, Market Maker and Retail Individual Investors.	Not less than [●] Equity Shares or Issue less allocation to QIBs, Market Maker and Non- Institutional Investors.
Percentage of Issue Size available for allocation	solve of the Net Issue will be available for allocation to QIBs.  However, 5% of the QIB Category, excluding the Anchor Investor Portion, will be available for allocation proportionately to Mutual Funds only.  Mutual Funds only.  Mutual Funds participating in the 5% reservation portion will also be eligible for allocation in the remaining QIB Category. The unsubscribed portion in the Mutual Fund portion will be available for allocation to QIBs. The issuer may allocate upto 60 per cent of the portion available for allocation	[●] of Issue Size	Not less than 15% of the Net Issue.	Not less than 35% of the Net Issue.



	to qualified institutional buyers to an anchor investor in accordance with the conditions specified in this regard in Schedule XI.			
Basis of Allotment if Respective category is oversubscribed	Proportionate as follows (excluding the Anchor Investor Portion):  (a) ¶ Equity Shares constituting 5% of the Net QIB Portion will be available for allocation on a proportionate basis to Mutual Funds; and  (b) ¶ Equity Shares will be available for allocation on a proportionate basis to QIBs including Mutual Funds receiving allocation as per (a)above.	Firm Allotment	Proportionate	In the event the Bids received from Retail Individual Investors exceeds [●] Equity Shares, then the maximum number of Retail Individual Investors who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to Retail Individual Investors by the minimum Bid Lot ("Maximum RII Allottees"). The Allotment to Retail Individual Investors will then be made in the following manner:  (a) If the number of Retail Individual Investors who have submitted valid Bids in the Net Issue is equal to or less than the Maximum RII Allottees, (i) all such Retail Individual Investors shall be allocated the minimum Bid Lot and (ii) the balance Equity Shares, if any, remaining in the Retail Category shall be allocated on a proportionate



				basis to those Retail Individual Investors who received allocation as per (i) above, for less than the Equity Shares Bid for by them (i.e. Retail Individual Investors who have Bid for more than the minimum Bid Lot)
				(b) In the event, the number of Retail Individual Investors who have submitted valid Bids in the Net Issue is more than the Maximum RII Allottees, the Retail Individual Investors who will be allocated the minimum Bid Lot shall be determined by draw of lots.
				Allotment to each Retail Individual Investor shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Category. For more information, see "Issue Procedure" on page 351.
Mode of Application Mode of Allotment	Through ASBA process or Compulsorily in demateri	•	Investors)	, , , , , , , , , , , , , , , , , , ,
	•			
Minimum Bid	Such number of Equity Shares in multiples of  [●] Equity Shares so that the Bid Amount exceeds ₹ 200,000	[•] Equity Shares of Face Value of Rs 10 each	Such number of Equity Shares in multiples o♠ [ Equity Shares so that the Bid Amount exceeds ₹ 200,000	[•] Equity Shares



Maximum Bid	Such number of Equity	[•] Equity Shares	Such number of	Such number of		
	Shares in multiples of	of Face Value of	Equity Shares in	Equity Shares in		
	[•] Equity Shares so	Rs 10 each	multiples of [●]	multiples of [●]		
	that the Bid does not		Equity Shares so	Equity Shares so		
	exceed the Issue,		that the Bid does	that the Bid		
	subject to applicable		not exceed the Net	Amount does not		
	limits		Issue, subject to	exceed ₹ 200,000		
			applicable limits			
Trading Lot	[•] Equity Shares and in	[•] Equity Shares,	[•] Equity Shares	[•] Equity Shares		
	Multiples thereof	and in Multiples	and in multiples			
		thereof	thereof			
Application lot Size	[•] Equity Shares and	[•] Equity Shares	[•] Equity Shares	[•] Equity Shares		
	thereafter in multiples	and thereafter in	and thereafter in			
	thereof	multiples thereof	multiples thereof			
Terms of Payment	In case of Anchor Invest	ors: Full Bid Amount	shall be payable by the	e Anchor Investors at		
	the time of submission of	their Bids				
	In case of all other Bidders: Full Bid Amount shall be blocked by the SCSBs in the bank					
	account of the Bidder (o	ther than an Anchor	Investor) that is speci	fied in the Bid cum		
	Application Form at the ti	me of the submission o	f the Bid cum Applicat	tion Form		

\* Our Company, in consultation with the BRLM, may allocate up to 60% of the QIB Category to Anchor Investors at the Anchor Investor Issue Price, on a discretionary basis, subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹ 100 million, (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100 million but up to ₹ 2,500 million, subject to a minimum Allotment of ₹ 50 million per Anchor Investor, and (iii) in case of allocation above ₹ 2,500 million, a minimum of five and a maximum of 15 Anchor Investors are allowed for allocation of up to ₹ 2,500 million and an additional 10 such investors for every additional ₹ 2,500 million or part thereof will be permitted, subject to a minimum allotment of ₹ 50 million per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹ 100 million. One-third of the Anchor Investor Portion will be reserved for domestic Mutual Funds, subject to valid Bids being received at or above Anchor Investor Issue Price.

\*\* In terms of Rule 19(2)(b)(i) of the SCRR, the Issue is being made for at least 25% of the post-Issue paid-up equity share capital of our Company. The Issue is being made through the Book Building Process, where 50% of the Net Issue will be available for allocation to QIBs on a proportionate basis, provided that our Company, in consultation with the BRLM, may allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations, of which at least one-third will be available for allocation to domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds. Further, 5% of the QIB Category (excluding the Anchor Investor Portion) will be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the QIB Category will be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors) including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Net Issue will be available for allocation on a proportionate basis to Non-Institutional Investors subject to valid Bids being received at or above the Issue Price. Further, not less than 35% of the Net Issue will be available for allocation to Retail Individual Investors in accordance with SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

If the Bid is submitted in joint names, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the depository account held in joint names. The signature of only the first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.

Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms.



An undersubscription, if any, in any category, except the QIB Category, would be met with spill-over from the other categories at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange. Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

#### Withdrawal of the Issue

The Company, in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Issue after Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (one each in English and Hindi) and one in regional newspaper.

The Book Running Lead Manager, through the Registrar to the Issue, will instruct the SCSBs, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly.

If the Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, the Company will file a fresh Draft Red Herring Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company will apply for only after Allotment; and (ii) the final ROC approval to the Prospectus after it is filed with the ROC.

### **Bid/Issue Period**

BID/ISSUE OPENS ON*	[•]
BID/ISSUE CLOSES ON**	[•]
FINALISATION OF BASIS OF ALLOTMENT	[•]
INITIATION OF REFUNDS FOR ANCHOR INVESTORS/UNBLOCKING	[•]
OF FUNDS	
CREDIT OF EQUITY SHARES TO DEPOSITORY ACCOUNTS	[•]

<sup>\*</sup> Our Company, in consultation with the BRLM, may consider participation by Anchor Investors. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Issue Opening Date.

This timetable, other than Bid/Issue Opening and Closing Dates, is indicative in nature and does not constitute any obligation or liability on our Company or the members of the Syndicate. While we will use best efforts to ensure that listing and trading of our Equity Shares on the Stock Exchanges commences within six Working Days of the Bid/Issue Closing Date, the timetable may be subject to change for various reasons, including any delays in receipt of final listing and trading approvals from the Stock Exchanges, delay in receipt of final certificates from SCSBs, etc. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges in accordance with applicable laws.

Except in relation to the Bids received from Anchor Investors, Bids and any revision in Bids will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Bid/ Issue Period at the Bidding Centres, except that on the Bid/ Issue Closing Date (which for QIBs may be a day prior to the Bid/ Issue Closing Date for non-QIBs), Bids will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until (i) 4.00 p.m. (Indian Standard Time) by QIBs and Non-Institutional Investors; and (ii) 5.00 p.m.(Indian Standard Time) or such extended time permitted by the Stock Exchanges, in case of Bids by Retail Individual Investors. On

<sup>\*\*</sup>Our Company, in consultation with the BRLM, may decide to close the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date, in accordance with the SEBI ICDR Regulations.



the Bid/ Issue Closing Date, extension of time may be granted by the Stock Exchanges only for uploading Bids received from Retail Individual Investors, after taking into account the total number of Bids received up to closure of timings for acceptance of Bid cum Application Forms as stated herein and reported by the BRLM to the Stock Exchanges. Due to limitation of time available for uploading Bids on the Bid/ Issue Closing Date, Bidders are advised to submit Bids one day prior to the Bid/ Issue Closing Date and, in any case, no later than 1.00 p.m. (Indian Standard Time) on the Bid/Issue Closing Date. If a large number of Bids are received on the Bid/ Issue Closing Date, as is typically experienced in public issues, which may lead to some Bids not being uploaded due to lack of sufficient time to upload, such Bids that cannot be uploaded on the electronic bidding system will not be considered for allocation in the Issue. Our Company and the members of the Syndicate will not be responsible for any failure in uploading Bids due to faults in any hardware/software system or otherwise. Bids will be accepted only on Working Days. It is clarified that ASBA Bids not uploaded on the electronic bidding system would be rejected.

Our Company, in consultation with the BRLM, reserves the right to revise the Price Band during the Bid/Issue Period, in accordance with the SEBI ICDR Regulations, provided that the Cap Price will be less than or equal to 120% of the Floor Price and the Floor Price will not be less than the face value of the Equity Shares. Subject to compliance with the foregoing, the Floor Price may move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly.

In case of revision in the Price Band, the Bid/Issue Period will be extended for at least three additional Working Days after revision of Price Band subject to the Bid/Issue Period not exceeding ten Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a press release and by indicating the change on the website and terminal of the Designated Intermediaries.



### **ISSUE PROCEDURE**

All Bidders should review the General Information Document for Investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI ("General Information Document"), and including SEBI circular bearing number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and SEBI circular bearing number SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 included below under "Part B – General Information Document", which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI ICDR Regulations. The General Information Document has been updated to reflect the enactments and regulations, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchanges and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Our Company and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated in this section and is not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus.

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 initial public offerings including making ASBA Process mandatory for all investors, allowing registrar, share transfer agents, collecting depository participants and stock brokers to accept application forms. Further, SEBI, by its circular No. (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 the BRLM do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Applicants are advised to make their independent investigations and ensure that their Applications 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 this Draft Red Herring Prospectus, Red Herring Prospectus and the 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.

Our Company and the BRLM are not liable for any amendments, modifications or change in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus.

#### PART A

### **Book Building Procedure**

The Issue is being made through the Book Building Process wherein 50% of the Net Issue will be available for allocation to QIBs on a proportionate basis, provided that our Company, in consultation with the BRLM, may allocate up to 60% of the QIB Category to Anchor Investors at the Anchor Investor Issue Price, on a discretionary basis, of which at least one-third will be available for allocation to domestic Mutual Funds. Further, 5% of the QIB Category (excluding the Anchor Investor Portion) will be available for allocation on a proportionate basis to Mutual Funds only. The remainder will be available for allocation on a proportionate basis to all QIBs including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Net Issue will be available for allocation on a proportionate basis to Non-Institutional Investors subject to valid Bids being received at or above the Issue Price. Further, not less than 35% of the Net Issue will be available for allocation to



Retail Individual Investors in accordance with SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Under-subscription, if any, in any category, except the QIB Category, would be met with spill-over from any other category or categories, as applicable, at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange, on a proportionate basis, subject to applicable laws.

Investors should note that the Equity Shares will be allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID and PAN, shall be treated as incomplete and will be rejected.

Please note that all the investors (other than Anchor Investors) shall mandatorily apply in the Issue through the ASBA process only. However, Anchor Investors are not permitted to participate in the Issue through the ASBA process.

#### **Bid cum Application Form**

Copies of the Bid cum Application Form and the abridged prospectus will be available with the members of the Syndicate, the Designated Intermediaries at relevant Bidding Centres and at our Registered and Corporate Office. The Bid cum Application Forms will also be available for download on the websites of the NSE (www.nseindia.com) and the BSE (www.bseindia.com), at least one day prior to the Bid/Issue Opening Date.

Bidders (other than Bids by Anchor Investor) must provide bank account details and authorization to block funds in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain such details will be rejected.

Further, such Bidders shall ensure that the Bids are submitted at the Bidding centres only on Bid cum Application Forms bearing the stamp of a Designated Intermediary(ies) (except in case of electronic Bid-cum-Application Forms) and Bid cum Application Forms not bearing such specified stamp maybe liable for rejection. Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB at the time of submitting the Bid.

For Anchor Investors, the Anchor Investor Application Form will be available at the office of the BRLM.

The prescribed colour of the Bid cum Application Forms for various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis**	**
Non-Residents including FPIs, Eligible NRIs, FVCIs and registered bilateral and multilateral institutions applying on a repatriation basis**	Blue
Anchor Investors ***	White

<sup>\*</sup> Excluding electronic Bid cum Application Forms.

Designated Intermediaries (other than SCSBs) shall submit/deliver the Bid cum Application Form to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

## Who can Bid?

<sup>\*\*</sup> Electronic Bid cum Application forms will also be available for download on the website of the NSE (www.nseindia.com) and the BSE (www.bseindia.com).

<sup>\*\*\*</sup>Bid cum Application Forms for Anchor Investors will be made available at the office of the BRLM.



The following persons are eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines:

- 1) Mutual Funds registered with SEBI. Bids by asset management companies or custodians of Mutual Funds should clearly indicate the name of the concerned scheme for which the Bid is submitted;
- 2) Venture Capital Funds and AIFs registered with SEBI;
- 3) Foreign Venture Capital Investors registered with SEBI;
- 4) FPI registered with SEBI, provided that any Foreign Institutional Investor ("FII") who holds a valid certificate of registration shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995;
- 5) Public financial institutions as defined under Section 2(72) of the Companies Act 2013;
- 6) Indian financial institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI and the SEBI ICDR Regulations and other laws as applicable);
- 7) Scheduled commercial banks;
- 8) State Industrial Development Corporations;
- 9) Scientific and/or industrial research organisations in India, authorised to invest in equity shares;
- 10) Insurance companies registered with IRDA;
- 11) Provident funds and pension funds with a minimum corpus of ₹ 250 million and who are authorized under their constitutional documents to hold and invest in equity shares;
- 12) National Investment Fund set up by resolution no. F. No. 2/3/2005-DD-II dated November 23, 2005 of the GoI published in the Gazette of India;
- 13) Insurance funds set up and managed by the army, navy or air force of the Union of India or by the Department of Posts, India;
- 14) NRIs on a repatriation basis or on a non-repatriation basis, subject to the applicable laws;
- 15) Companies, corporate bodies and trust/societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/societies and who are authorised under the respective constitutions to hold and invest in equity shares;
- 16) Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three);
- 17) Bids/Applications belonging to an account for the benefit of a minor (under guardianship);
- 18) Hindu Undivided Families or HUFs, in the individual name of the Karta;
- 19) Limited liability partnerships registered under the Limited Liability Partnership Act, 2008;
- 20) Multilateral and bilateral development financial institutions; and
- 21) Any other person eligible to Bid in the Issue under applicable laws.

Also see "Part B - General Information Document for Investing in Public Issues - Category of Investors Eligible to Participate in an Issue" on page 362 of this Draft Red Herring Prospectus

The Equity Shares issued in the Issue have not been and will not be registered under the U.S. Securities Act, 1933 ("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 state securities laws. Accordingly, such Equity Shares are being offered and sold (i) outside of the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur; and (ii) to "qualified institutional buyers" (as defined in Rule 144A ("Rule 144A") under the U.S. Securities Act), pursuant to Section 4(a)(2) of the U.S. Securities Act or another available exemption from registration under the U.S. Securities Act.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Participation by the promoters, promoter group, associates and affiliates of the BRLM and the Syndicate Members



The BRLM and the Syndicate Members shall not be allowed to purchase Equity Shares in the Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members may Bid for Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the BRLM and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Except for Mutual Funds sponsored by entities related to the BRLM, the BRLM and any persons related to the BRLM, promoters and promoter group of the BRLM cannot apply in the Issue under the Anchor Investor Portion.

# **Bids by Mutual Funds**

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, the Company reserves the right to reject any Bid without assigning any reason therefor. Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid may be made in respect of each scheme of a Mutual Fund registered with the SEBI and such Bids in respect of more than one scheme of a Mutual Fund will not be treated as multiple Bids, provided that such Bids clearly indicate the scheme for which the Bid is submitted.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific scheme. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

# **Bids by Eligible NRIs**

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Eligible NRIs applying on a repatriation basis should authorise their SCSBs to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") accounts, and Eligible NRIs bidding on a non-repatriation basis should authorise their SCSBs to block their Non-Resident Ordinary ("NRO") accounts for the full Bid amount, at the time of submission of the Bid cum Application Form.

## **Bids by FPI (including FIIs)**

On January 7, 2014, SEBI notified the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 (—SEBI FPI RegulationsI) pursuant to which the existing classes of portfolio investors, namely, FIIs and QFIs were subsumed under a new category namely foreign portfolio investors' or FPIs. Furthermore, RBI on March 13, 2014 amended the FEMA Regulations and laid down conditions and requirements with respect to investment by FPIs in Indian companies...

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-Offer Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up equity share capital of a company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up equity share capital of a company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the board of directors followed by a special resolution passed by the shareholders of a company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs



(being deemed FPIs) shall be included. The existing individual and aggregate investment limits for an FII or sub account in our Company are 10% and 49% of the total paid-up Equity Share capital of our Company, respectively. FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio investor and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms, and (iii) such offshore derivates instruments shall not be issued to or transferred to persons who are resident Indians or NRIs and to entities beneficially owend by resident Indian or NRIs.

As per the circular issued by SEBI on November 24, 2014, these investment restrictions shall also apply to subscribers of offshore derivative instruments (—ODDs Two or more subscribers of ODIs having a common beneficial owner shall be considered together as a single subscriber of the ODI. In the event an investor has investments as a FPI and as a subscriber of ODIs, these investment restrictions shall apply on the aggregate of the FPI and ODI investments held in the underlying company

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to the following conditions:

- a) such offshore derivative instruments are transferred only to persons in accordance with Regulation 22(1) of the SEBI FPI Regulations; and
- b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

#### Bids by SEBI registered Venture Capital Funds, AIFs and Foreign Venture Capital Investors

The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as amended, (the "SEBI VCF Regulations") and the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended, among other things prescribe the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 (the "SEBI AIF Regulations") prescribe, amongst others, the investment restrictions on AIFs.

Accordingly, the holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one investee company. A category III AIF cannot invest more than 10% of the corpus in one investee company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

# Bids by limited liability partnerships



In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid without assigning any reason therefor.

# Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason therefor.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949 (the "Banking Regulation Act"), and Master Circular – Para-banking Activities dated July 1, 2015 is 10% of the paid-up share capital of the investee company or 10% of the banks' own paid-up share capital and reserves, whichever is less. Further, the investment in a non-financial services company by a banking company together with its subsidiaries, associates, joint ventures, entities directly or indirectly controlled by the bank and mutual funds managed by asset management companies controlled by the banking company cannot exceed 20% of the investee company's paid-up share capital. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

#### Bids by SCSBs

SCSBs participating in the Issue are required to comply with the terms of the circulars dated September 13, 2012 and January 2, 2013 issued by the SEBI. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

## Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, the Company reserves the right to reject any Bid without assigning any reason thereof. The exposure norms for insurers are prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000 (the "IRDA Investment Regulations") and other applicable rules, guidelines and regulations prescribed by IRDA.

- a) equity shares of a company: the lower of 10% of the outstanding Equity Shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- b) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- c) the industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be.

Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDA from time to time.

#### Bids by provident funds/pension funds



In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹250 million, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company in consultation with the BRLM reserves the right to reject any Bid, without assigning any reason thereof.

# **Bids under Power of Attorney**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs (including FIIs), Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹250 million (subject to applicable laws) and pension funds with a minimum corpus of ₹250 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company in consultation with the BRLM in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company in consultation with the BRLM may deem fit.

#### **Bids by Anchor Investors**

For details in relation to Bids by Anchor Investors, see the section entitled "Issue Procedure – Part B – General Information Document for Investing in Public Issues" on page 362.

In accordance with RBI regulations, OCBs cannot participate in the Issue.

The above information is given for the benefit of the Bidders. Our Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus.

#### **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act 2013, our Company will, after registering the Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI ICDR Regulations, in all editions of [▶], (a widely circulated English national newspaper), all editions of [▶] (a widely circulated Hindi national newspaper, one Bengali edition of [▶], Bengali being the regional language in West Bengal, where our Registered and Corporate Office is located). Our Company shall, in the pre- issue advertisement state the Bid Opening Date, the Bid Closing Date and the QIB Bid Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act 2013, shall be in the format prescribed in Part A of Schedule XIII of the SEBI ICDR Regulations.

#### **General Instructions**

# Do's:

- 1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
- 2. Ensure that you have Bid within the Price Band;
- 3. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
- 4. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
- 5. Ensure that the details about the PAN, DP ID and Client ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;



- 6. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time;
- 7. If the first applicant is not the bank account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have an account with an SCSB and have mentioned the correct bank account number of the SCSB in the Bid cum Application Form;
- 8. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
- 9. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
- 10. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options;
- 11. Ensure that you have funds equal to the Bid Amount in the ASBA Account with the SCSB before submitting the ASBA Form to any of the Designated Intermediaries;
- 12. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to the respective member of the Syndicate (at the Specified Locations), the SCSBs (at the Designated Branches), the Registered Broker (at the Broker Centres), the RTAs (at the Designated RTA Locations) or CDPs (at the Designated CDP Locations);
- 13. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
- 14. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of the SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
- 15. Ensure that the Demographic Details are updated, true and correct in all respects;
- 16. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal:
- 17. Ensure that the category and the investor status is indicated;
- 18. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
- 19. Ensure that Bids submitted by any person outside India is in compliance with applicable foreign and Indian laws;
- 20. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;
- 21. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus;
- 22. Ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at http://www.sebi.gov.in.
- 23. Ensure that you have mentioned the correct ASBA Account number in the Bid cum Application Form; and
- 24. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA



Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid:

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

#### Don'ts

- 1. Do not Bid for lower than the minimum Bid size;
- 2. Do not send the Bid cum Application Form by post, instead submit the same to the Designated Intermediary only;
- 3. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;
- Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest:
- 5. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;
- 6. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary(ies);
- 7. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
- 8. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
- 9. Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by Retail Individual Bidders);
- 10. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Issue size and/or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
- 11. Do not submit the General Index Register number instead of the PAN;
- 12. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account;
- 13. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;
- 14. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise:
- 15. If you are a QIB, do not submit your Bid after 3.00 p.m. on the QIB Bid/Offer Closing Date;
- 16. If you are a Non-Institutional Bidder or Retail Individual Bidder, do not submit your Bid after 3.00 p.m. on the Bid/Offer Closing Date;
- 17. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
- 18. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Investor;
- 19. Do not submit more than five Bid cum Application Forms per ASBA Account; and
- 20. Anchor Investors should not bid through the ASBA process.
- 21. Do not submit ASBA Bids to a Designated Intermediary at a location other than the Bidding Centres;
- 22. Do not submit ASBA Bids to a Designated Intermediary at a Bidding Centre unless the SCSB where the ASBA Account is maintained, as specified in the Bid cum Application Form, has named at least one branch in the relevant Bidding Centre, for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at http://www.sebi.gov.in); and

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

#### **Payment into Anchor Escrow Account by Anchor Investors**

Our Company, in consultation with the BRLM, in their absolute discretion, will decide the list of Anchor Investors to whom the Allotment Advice will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. The payment instruments for payment into the Anchor Escrow Account for Anchor Investors should be drawn in favor of:

In case of resident Anchor Investors: "[●]"



ii. In case of non-resident Anchor Investors: "[●]"

#### Signing of the Underwriting Agreement and the RoC Filing

- (a) Our Company and the Syndicate intend to enter into an Underwriting Agreement after the finalisation of the Issue Price.
- (b) After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which then would be termed as the 'Prospectus'. The Prospectus will contain details of the Issue Price, the Anchor Investor Issue Price, Issue size, and underwriting arrangements and will be complete in all material respects.

#### **Impersonation**

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:

"Any person who:

- a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

#### **Undertakings by our Company**

Our Company undertakes the following:

- 1. That the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;
- 2. That all steps will be taken for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within six Working Days of the Bid/Issue Closing Date;
- 3. That in case of Anchor Investors that where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 Working Days from the Bid/Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- 4. if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/ unblocked within the time period prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the ICDR Regulations and applicable law for the delayed period;
- 5. That no further issue of Equity Shares shall be made until the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are refunded on account of non-listing, undersubscription etc.;



- 6. The Promoters' Contribution has been brought in to the extent of not less than the specified minimum lot, as required under the SEBI ICDR Regulations;
- 7. That the allotment of securities/refund confirmation to Eligible NRIs shall be dispatched within specified time;
- 8. That adequate arrangements shall be made to collect all Bid cum Application Forms; and
- 9. That the Allotment Advice will be issued or the application money will be refunded/unblocked within such time as specified by the SEBI, failing which interest will be paid to the Bidders at the rate prescribed under applicable law for the delayed period.

The Promoters have authorized the Compliance Officer of our Company and the Registrar to the Issue to redress any complaints received from Bidders in respect of the Issue.

#### **Utilization of Net Proceeds**

Our Board certifies that:

- a. details of all monies utilized out of the Issue referred to in sub item (i) shall be disclosed and continue to be disclosed until the time any part of the Net proceeds remains unutilized, under an appropriate separate head in the balance-sheet of the Issuer indicating the purpose for which such monies had been utilized; and
- b. details of all unutilized monies out of the Issue referred to in sub-item (i) shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.
- c. Our Company declares that all monies received from the Issue shall be transferred to separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act 2013.

#### **Equity Shares in Dematerialized Form with NSDL or CDSL**

To enable all shareholders of our Company to have their shareholding in electronic form, the Company shall sign the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) Agreement dated [●] between NSDL, the Company and the Registrar to the Issue;
- b) Agreement dated [•] between CDSL, the Company and the Registrar to the Issue;

The Company's equity shares bear an ISIN No. [ ●]



#### PART B

#### GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, 2013 (to the extent notified and in effect), the Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon the notification of the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. 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 Draft Red Herring Prospectus/ Red Herring Prospectus before investing in the Issue

#### Section 1: Purpose of the General Information Document (GID)

This document is applicable to the public issues undertaken inter-alia 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, on the processes and procedures governing IPOs, 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") as amended.

Bidders should note that investment in equity and equity related securities involves risk and Bidder 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"). Bidders should carefully read the entire RHP/Prospectus and the Bid cum Application Form/Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the RHP/Prospectus, the disclosures in the RHP/Prospectus shall prevail. The RHP/Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the BRLM(s) to the Issue and on the website of Securities and Exchange Board of India ("SEBI") at www.sebi.gov.in.

For the definitions of capitalized terms and abbreviations used herein Bidders may refer to the section "Glossary and Abbreviations".

#### **Section 2: Brief Introduction to IPOs on SME Exchange**

#### 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 if applicable. For details of compliance with the eligibility requirements by the Issuer, Applicants/Bidders may refer to the DRHP.

The Issuer may also undertake IPO under Chapter XB of SEBI (ICDR) regulations, wherein as per,

- Regulation 106M (1): An issuer whose post-issue face value capital does not exceed ten crore rupees shall issue its specified securities in accordance with provisions of this Chapter.
- Regulation 106M (2): An issuer whose post-issue face value capital is more than ten crore rupees and upto twenty five crore rupees, may also issue its specified securities in accordance with provisions of this Chapter.

The present Issue being made under Regulation 106M (2) of Chapter XB of SEBI (ICDR) Regulation.



#### **Other Eligibility Requirements**

In addition to the eligibility requirements specified in paragraphs 2.1 an Issuer proposing to undertake an IPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, the Companies Act, 1956 and the Companies Act, 2013 as may be applicable ("the Companies Act), the Securities Contracts (Regulation) Rules, 1957 (the "SCRR"), industry-specific regulations, if any, and other applicable laws for the time being in force.

Following are the eligibility requirements for making an SME IPO under Regulation 106M (2) of Chapter XB of SEBI (ICDR) Regulation:

- a) In accordance with Regulation 106(P) of SEBI (ICDR) Regulation, Issue has to be 100% underwritten and the BRLM has to underwrite at least 15% of the total issue size.
- b) In accordance with regulation 106(R) of SEBI (ICDR) Regulation, total number of proposed allottees in the Issue shall be greater than or equal to fifty, otherwise the entire application money will be blocked forthwith. If such money is not repaid within eight days from the date the company becomes liable to repay it, than the Company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under Section 40 of the Companies Act, 2013.
- c) In accordance with Regulation 106(O) the SEBI (ICDR) Regulation, Company is not required to file any Offer Document with SEBI nor has SEBI issued any observations on the Offer Document. The BRLM shall submit the copy of Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.
- d) In accordance with Regulation 106(V) of the SEBI (ICDR) Regulation, the BRLM has to ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares offered in the Issue.
- e) Our Company was originally incorporated as "Cabcon India Pvt Ltd" on February 1, 1991 vide Registration Certificate No. 21-50809 of 1991 under the provisions of the Companies Act, 1956 with the Registrar of Companies, West Bengal. Further, pursuant to Special Resolution passed by the shareholders at the Extra Ordinary General Meeting held on April 18, 2018, our company was converted into a Public Limited Company and consequently the name of our Company was changed form "Cabcon India Pvt Ltd" to "Cabcon India Limited" vide a fresh Certificate of Incorporation dated May 9, 2018 having CIN U31200WB1991PLC050809 issued by the Registrar of Companies, Kolkata, West Bengal.
- f) The post issue paid up capital of the company will be 2,04,26,545 shares of face value of ₹ 10/- aggregating to ₹ 2042.65 lakhs which is less than ₹ 25 Crore.
- g) The company confirms that it has track record of more than 3 years.
- h) The company confirms that it has positive cash accruals (earnings before depreciation and tax) from operations for at least 2 financial years preceding the application and its net-worth as on March 31, 2017 is positive.
- i) The issuer shall mandatorily facilitate trading in demat securities.
- j) The issuer should not been referred to Board for Industrial and Financial Reconstruction.
- k) No petition for winding up is admitted by a court of competent jurisdiction against the Issuer.
- 1) No material regulatory or disciplinary action should have been taken by any stock exchange or regulatory authority in the past three years against the Issuer.
- m) The company should have a website.



n) There has been no change in the promoter(s) of the company in the 1 year preceding the date of filing application to NSE for listing on SME segment.

Issuer shall also comply with all the other requirements as laid down for such an Issue under Chapter X-B of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106 (M) (3) of SEBI (ICDR) Regulation, 2009 the provisions of regulations 6(1), 6(2), 6(3), Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to this Issue.

Thus the Company is eligible for the Issue in accordance with Regulation 106M(2) and other provision of Chapter XB of SEBI (ICDR) Regulations as the post –issue face value capital does not exceed Rs. 2,500 Lakh. Company also complies with the eligibility conditions laid by the SME Platform of NSE for listing of our Equity Shares.

#### 2.2 Types of Public Issues – Fixed Price Issues and Book Built Issues

In accordance with the provisions of the SEBI ICDR Regulations, 2009, an Issuer can either determine the Issue Price through the Book Building Process ("Book Built Issue") or undertake a Fixed Price Issue ("Fixed Price Issue"). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in this Daft Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Bid/Issue Opening Date, in case of an IPO and at least one Working Day before the Bid/Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities.

Bidders/Applicants should refer to the RHP/Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

#### 2.3 Issue Period

The Issue may be kept open for a minimum of three Working Days (for all category of Bidders/Applicants) and not more than ten Working Days. Bidders/Applicants are advised to refer to the Bid cum Application Form and Abridged Prospectus or RHP/Prospectus for details of the Bid/Issue Period. Details of Bid/Issue Period are also available on the website of the Stock Exchange(s).

In case of a Book Built Issue, the Issuer may close the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date if disclosures to that effect are made in the RHP. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/Issue Period may be extended by at least three Working Days, subject to the total Bid/Issue Period not exceeding 10 Working Days. For details of any revision of the Floor Price or Price Band, Bidders/Applicants may check the announcements made by the Issuer on the websites of the Stock Exchanges and the BRLM an the advertisement in the newspaper(s) issued in this regard.

#### 2.4 Migration To Main Board

SME Issuer may migrate to the Main Board of Stock Exchange from the SME Exchange at a later date subject to the following:

a) If the Paid up Capital of the Company is likely to increase above Rs. 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter



shareholders against the proposal and for which the company has obtained in-principal approval from the main board), The Company shall apply to SE for listing of its shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board.

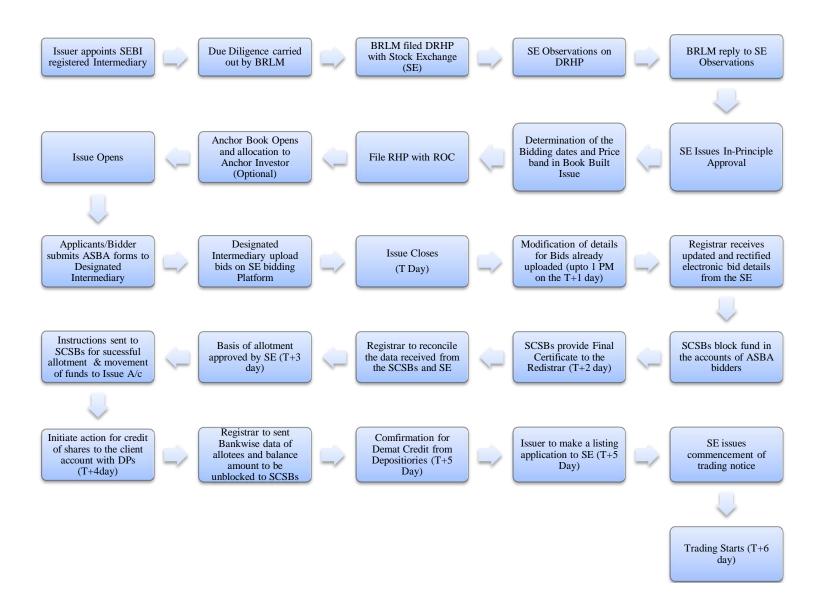
OR

b) If the Paid up Capital of the company is more than 10 crores but below Rs. 25 crores, the Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

#### 2.5 Flowchart Of Timelines

A flow chart of process flow in Book Building Issues is as follows:







#### Section 3: Category of Investors Eligible to Participate in an Issue

Each Bidder/Applicant should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Bidders/Applicants, such as NRIs, FII's, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the Prospectus for more details.

Subject to the above, an illustrative list of Bidders 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) or in the names of minors as natural / legal guardian;
- Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder/Applicant should specify that the Application is being made in the name of the HUF in the Application Form as follows: "Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Applications by HUFs may be considered at par with those from individuals;
- Companies, corporate bodies and societies registered under applicable law in India and authorized to invest in equity shares under their respective constitutional and charter documents;
- Mutual Funds registered with SEBI;
- Eligible NRIs on a repatriation basis or on a non-repatriation basis subject to applicable law; NRIs other than Eligible NRIs are not eligible to participate in this Issue.
- Indian Financial Institutions, scheduled commercial banks 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, VCFs and FVCIs registered with SEBI.
- Limited liability partnerships registered in India and authorized to invest in equity shares.
- State Industrial Development Corporations.
- Trusts/societies registered under the Societies Registration Act, 1860, as amended or under any other law relating to trusts/societies and who are authorized under their respective constitutions to hold and invest in equity shares;
- Scientific and/ or Industrial Research Organizations authorized to invest in equity shares.
- Insurance Companies registered with IRDA;
- Provident Funds and Pension Funds with minimum corpus of Rs. 2500 Lakhs and who are authorized under their constitution to hold and invest in equity shares;
- Multilateral and Bilateral Development Financial Institutions;
- National Investment Fund set up by resolution no F.No.2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- Insurance funds set up and managed by army, navy, air force of the Union of India or by Department of Posts, India;
- Any other person eligible to apply to this Issue, under the laws, rules, regulations, guidelines, and policies
  applicable to them and under Indian Laws.

As per the existing regulations, OCBs are not allowed to participate in an Issue.

#### **Section 4: Applying in the Issue**

**Book Built Issue:** Bidders should only use the specified ASBA Form (or in case of Anchor Investors, the Anchor Investor Application Form) either bearing the stamp of a Designated Intermediary, as available or downloaded from the websites of the Stock Exchanges. Bid cum Application Forms are available with the book running lead managers, the Designated Intermediaries at the Bidding Centres and at the registered office of the Issuer. Electronic Bid cum Application Forms will be available on the websites of the Stock Exchanges at least one day prior to the Bid/Issue Opening Date. For further details, regarding availability of Bid cum Application Forms, Bidders may refer to the RHP/Prospectus.

**Fixed Price Issue:** Applicants should only use the Application Form bearing the stamp of the Designated Intermediary available or downloaded from the websites of the Stock Exchanges. Application Forms are available



with the Designated Branches of the SCSBs and at the Registered and Corporate Office of the Issuer. For further details, regarding availability of Application Forms, Applicants may refer to the Prospectus.

Bidders/Applicants should ensure that they apply in the appropriate category. The prescribed color of the Bid cum Application Form for various categories of Bidders/Applicants is as follows:

Category	Colour of Bid cum Application Form
Resident Indians including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents including FPIs, Eligible NRIs, FVCIs and registered bilateral and multilateral institutions applying on a repatriation basis	Blue
Anchor Investors	As specified by the Issuer

Securities issued in an IPO can only be in dematerialized form in accordance with Section 29 of the Companies Act, 2013. Bidders/Applicants will not have the option of getting the Allotment of specified securities in physical form. However, they may get the specified securities rematerialised subsequent to Allotment.

#### 4.1 INSTRUCTIONS FOR FILING THE BID CUM APPLICATION FORM/APPLICATION FORM

Bidders/Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the RHP and the Bid cum Application Form/Application Form are liable to be rejected.

Instructions to fill each field of the Bid cum Application Form can be found on the reverse side of the Bid cum Application Form. Specific instructions for filling various fields of the Resident Bid cum Application Form and Non-Resident Bid cum Application Form and samples are provided below.

The samples of the Bid cum Application Form for resident Bidders and the Bid cum Application Form for non-resident Bidders are reproduced below:



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### 4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/FIRST BIDDER/APPLICANT

- a. Bidders/Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.
- b. Mandatory Fields: Bidders/Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/mobile number fields are optional. Bidders/Applicants should note that the contact details mentioned in the Bid cum Application Form/Application Form may be used to dispatch communications in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Bid cum Application Form may be used by the Issuer, the Designated Intermediaries and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.
- c. Joint Bids/Applications: In the case of Joint Bids/Applications, the Bids/Applications should be made in the name of the Bidder/Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidder/Applicant would be required in the Bid cum Application Form/Application Form and such first Bidder/Applicant would be deemed to have signed on behalf of the joint holders.
- d. **Impersonation**: Attention of the Bidders/Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

#### "Any person who:

- > makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- > makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- > otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

e. **Nomination Facility to Bidder/Applicant:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of Allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders/Applicants should inform their respective DP.

#### 4.1.2 FIELD NUMBER 2: PAN OF SOLE/FIRST BIDDER/APPLICANT

- a) PAN (of the sole/first Bidder/Applicant) provided in the Bid cum Application Form/Application Form should be exactly the same as the PAN of the person in whose sole or first name the relevant beneficiary account is held as per the Depositories' records.
- b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Bids/Applications on behalf of the Central or State Government, Bids/Applications by officials appointed by the courts and Bids/Applications by Bidders/Applicants residing in Sikkim ("PAN Exempted Bidders/Applicants"). Consequently, all Bidders/Applicants, other than the PAN Exempted Bidders/Applicants, are required to disclose their PAN in the Bid cum Application Form/Application Form, irrespective of the Bid/Application Amount. Bids/Applications by the Bidders/Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.



- c) The exemption for the PAN Exempted Bidders/Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.
- d) Bid cum Application Forms which provide the General Index Register Number instead of PAN may be rejected.
- e) Bids/Applications by Bidders/Applicants whose demat accounts have been 'suspended for credit' are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as "Inactive demat accounts" and Demographic Details are not provided by depositories.

#### 4.1.3 FIELD NUMBER 3: BIDDERS/APPLICANTS DEPOSITORY ACCOUNT DETAILS

- a. Bidders/Applicants should ensure that DP ID and the Client ID are correctly filled in the Bid cum Application Form/Application Form. The DP ID and Client ID provided in the Bid cum Application Form/Application Form should match with the DP ID and Client ID available in the Depository database, otherwise, the Bid cum Application Form/Application Form is liable to be rejected.
- b. Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form/Application Form is active.
- c. Bidders/Applicants should note that on the basis of the PAN, DP ID and Client ID as provided in the Bid cum Application Form/Application Form, the Bidder/Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Bidder/Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for sending allocation advice or unblocking of ASBA Account or for any other correspondence(s) related to an Issue.
- d. Bidders/Applicants are advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders/Applicants' sole risk.

#### 4.1.4 FIELD NUMBER 4: BID OPTIONS

- a. Price or Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) may be disclosed in the Prospectus/RHP by the Issuer. The Issuer is required to announce the Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) by way of an advertisement in at least one English, one Hindi and one regional newspaper, with wide circulation, at least five Working Days before Bid/Issue Opening Date in case of an IPO, and at least one Working Day before Bid/Issue Opening Date in case of an FPO.
- b. The Bidders may Bid at or above Floor Price or within the Price Band for IPOs/FPOs undertaken through the Book Building Process. In the case of Alternate Book Building Process for an FPO, the Bidders may Bid at Floor Price or any price above the Floor Price (For further details Bidders may refer to (Section 5.6 (e))
- c. Cut-Off Price: Retail Individual Investors or Employees or Retail Individual Shareholders can Bid at the Cut-off Price indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.
- d. **Minimum Bid Value and Bid Lot:** The Issuer in consultation with the BRLM may decide the minimum number of Equity Shares for each Bid to ensure that the minimum Bid value is above Rs.1,00,000. The minimum Bid Lot is accordingly determined by an Issuer on basis of such minimum Bid value.
- e. **Allotment:** The Allotment of specified securities to each RII shall not be less than the minimum Bid Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be Allotted



on a proportionate basis. For details of the Bid Lot, Bidders may to the RHP or the advertisement regarding the Price Band published by the Issuer.

#### 4.1.4.1 Maximum and Minimum Bid Size

- a. The Bidder may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Investors must be for such number of shares so as to ensure that the Bid Amount, payable by the Bidder does not exceed ₹ 200,000. In case the Bid Amount exceeds ₹ 200,000 due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Category, then such Bid may be rejected if it is at the Cut-off Price.
- b. For NRIs, a Bid Amount of up to₹ 200,000 may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding ₹ 200,000 may be considered under the Non-Institutional Category for the purposes of allocation.
- c. Bids by QIBs and NIIs must be for such minimum number of shares such that the Bid Amount ex≹eeds 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form and the RHP/Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Investors and QIBs are not allowed to Bid at Cutoff Price.
- d. In case the Bid Amount reduces t₹ 20 0,000 or less due to a revision of the Price Band, Bids by the Non-Institutional Investors who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.
- e. For Anchor Investors, if applicable, the Bid Amount shall be least ₹ 10 crores. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. Bids by various schemes of a Mutual Fund shall be aggregated to determine the Bid Amount. A Bid cannot be submitted for more than 60% of the QIB Category under the Anchor Investor Portion. Anchor Investors cannot withdraw their Bids or lower the size of their Bids (in terms of quantity of Equity Shares or the price) at any stage after the Anchor Investor Bid/Issue Period and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor Issue Price is lower than the Issue Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Issue Price is lower than the Anchor Investor Issue Price, the amount in excess of the Issue Price paid by the Anchor Investors shall not be refunded to them.
- f. A Bid cannot be submitted for more than the Issue size.
- g. The maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under the applicable laws.
- h. The price and quantity options submitted by the Bidder in the Bid cum Application Form may be treated as optional bids from the Bidder and may not be cumulated. After determination of the Issue Price, the number of Equity Shares Bid for by a Bidder at or above the Issue Price may be considered for Allotment and the rest of the Bid(s), irrespective of the Bid Amount may automatically become invalid. This is not applicable in case of FPOs undertaken through Alternate Book Building Process (For details of Bidders may refer to (Section 5.6 (e))
- i. RII may revise or withdraw their bids until Bid/Issue Closing Date. QIBs and NII's cannot withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after Bidding and are required to pay the Bid Amount upon submission of the Bid.

#### 4.1.4.2 Multiple Bids

a. Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of three Bids at different price levels in the Bid cum Application Form and such options are not considered as multiple Bids.



Submission of a second Bid cum Application Form to either the same or to another Designated Intermediary (ies) and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

- b. Bidders are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple Bids:
  - All Bids may be checked for common PAN as per the records of the Depository. For Bidders other than Mutual Funds and FII sub-accounts, Bids bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected.
  - ii. For Bids from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Bidders, the Bid cum Application Forms may be checked for common DP ID and Client ID. Such Bids which have the same DP ID and Client ID may be treated as multiple Bids and are liable to be rejected.
- c. The following Bids may not be treated as multiple Bids:
  - i. Bids by Reserved Categories Bidding in their respective Reservation Portion as well as bids made by them in the Issue portion in public category.
  - ii. Separate Bids by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Bids clearly indicate the scheme for which the Bid has been made.
  - iii. Bids by Mutual Funds, and sub-accounts of FIIs (or FIIs and its subaccounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.
  - iv. Bids by Anchor Investors under the Anchor Investor Portion and the QIB Category.

#### 4.1.5 FIELD NUMBER 5: CATEGORY OF BIDDERS

- a. The categories of Bidders identified as per the SEBI ICDR Regulations for the purpose of Bidding, allocation and Allotment in the Issue are RIIs, NIIs and QIBs.
- b. Up to 60% of the QIB Category can be allocated by the Issuer, on a discretionary basis subject to the criteria of minimum and maximum number of Anchor Investors based on allocation size, to the Anchor Investors, in accordance with SEBI ICDR Regulations, with one- third of the Anchor Investor Portion reserved for domestic Mutual Funds subject to valid Bids being received at or above the Issue Price. For details regarding allocation to Anchor Investors, Bidders may refer to the RHP/Prospectus.
- c. An Issuer can make reservation for certain categories of Bidders/Applicants as permitted under the SEBI ICDR Regulations. For details of any reservations made in the Issue, Bidders/Applicants may refer to the RHP/Prospectus.
- d. The SEBI ICDR Regulations, specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation Bidder/Applicant may refer to the RHP/Prospectus.

#### 4.1.6 FIELD NUMBER 6: INVESTOR STATUS

a. Each Bidder/Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective Allotment to it in the Issue is in compliance with the investment restrictions under applicable law.



- b. Certain categories of Bidders/Applicants, such as NRIs, FPIs and FVCIs may not be allowed to Bid/Apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.
- c. Bidders/Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Bid cum Application Form and Non-Resident Bid cum Application Form.
- d. Bidders/Applicants should ensure that their investor status is updated in the Depository records.

#### 4.1.7 FIELD NUMBER 7: PAYMENT DETAILS

- a. The full Bid Amount shall be blocked based on the authorisation provided in the Bid cum Application Form. If Discount is applicable in the Issue, the RIIs should indicate the full Bid Amount in the Bid cum Application Form and the funds shall be blocked for the Bid Amount net of Discount. Only in cases where the RHP/Prospectus indicates that part payment may be made, such an option can be exercised by the Bidder. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less Discount offered, if any.
- b. Bid Amount for Bidders who Bid at Cut-off Price shall be blocked based on the Cap Price.
- c. All Bidders (except Anchor Investors) can participate in the Issue only through the ASBA mechanism.
- d. Bid Amount cannot be paid in cash, cheques or demand draft through money order or through postal order.

#### 4.1.7.1 Instructions for Anchor Investors:

- a. Anchor Investors may submit their Bids with a Book Running Lead Manager.
- b. Payments should be made either by RTGS or NEFT.
- c. The Anchor Escrow Bank shall maintain the monies in the Anchor Escrow Account for and on behalf of the Anchor Investors until the Designated Date.

#### 4.1.7.2 Payment instructions for Bidders (other than Anchor Investors)

- a. Bidders may submit the Bid cum Application Form either
  - i. in electronic mode through the internet banking facility offered by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the Bid cum Application Form, or
  - ii. in physical mode to any Designated Intermediary(ies).
- b. Bidders must specify the Bank Account number in the Bid cum Application Form. The Bid cum Application Form submitted by Bidder and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, may not be accepted.
- c. Bidders should ensure that the Bid cum Application Form is also signed by the ASBA Account holder(s) if the Bidder is not the ASBA Account holder;
- d. Bidders shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.
- e. From one ASBA Account, a maximum of five Bids cum Application Forms can be submitted.



- f. **Bidders bidding through a member of the Syndicate** should ensure that the Bid cum Application Form is submitted to a member of the Syndicate only at the Specified Locations. Bidders should also note that Bid cum Application Forms submitted to the Syndicate at the Specified Locations may not be accepted by the member of the Syndicate if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for the members of the Syndicate to deposit Bid cum Application Forms (a list of such branches is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a>).
- g. **Bidders bidding through a Registered Broker, RTA or CDP** should note that Bid cum Application Forms submitted to them may not be accepted, if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for the Registered Brokers, RTA or CDP, as the case may be, to deposit Bid cum Application Forms.
- h. Bidders bidding directly through the SCSBs should ensure that the Bid cum Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- 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.
- 1. Upon submission of a completed Bid cum Application Form each Bidder may be deemed to have agreed to block the entire Bid Amount and authorized the Designated Branch of the SCSB to block the Bid Amount specified in the Bid cum Application Form in the ASBA Account maintained with the SCSBs.
- m. The Bid Amount may remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Bid, as the case may be
- SCSBs bidding in the Issue must apply through an Account maintained with any other SCSB; else their Bids are liable to be rejected.

#### 4.1.7.2.1 Unblocking of ASBA Account

- (a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Bid, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, (iv) the amount to be unblocked, if any, in case of partial allotments, and (v) details of rejected Bids, if any, along with reasons for rejection and details of withdrawn or unsuccessful Bids, if any, to enable the SCSBs to unblock the respective bank accounts.
- (b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful Bidder to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.



(c) In the event of withdrawal or rejection of the Bid cum Application Form and for unsuccessful Bids, the Registrar to the Issue may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within six Working Days of the Bid/Issue Closing Date.

#### 4.1.7.3 Additional Payment Instructions for NRIs

The Non-Resident Indians who intend to make payment through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of Bids by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account

#### 4.1.7.4 **Discount** (if applicable)

- (a) The Discount is stated in absolute rupee terms.
- (b) Bidders applying under RII category, Retail Individual Shareholder and employees are only eligible for discount. For Discounts offered in the Issue, Bidders may refer to the RHP/Prospectus.
- (c) The Bidders entitled to the applicable Discount in the Issue may block an amount i.e. the Bid Amount less Discount (if applicable).

Bidder may note that in case the net amount blocked (post Discount) is more than two lakh Rupees, the Bidding system automatically considers such applications for allocation under Non-Institutional Category. These applications are neither eligible for Discount nor fall under RII category.

#### 4.1.8 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS

- a. Only the First Bidder/ Applicant is required to sign the Bid cum Application Form/ Application Form. Bidders/ Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- b. If the ASBA Account is held by a person or persons other than the Bidder/Applicant., then the Signature of the ASBA Account holder(s) is also required.
- c. The signature has to be correctly affixed in the authorisation/undertaking box in the Bid cum Application Form/Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form/Application Form.
- d. Bidders/Applicants must note that Bid cum Application Form/Application Form without signature of Bidder/Applicant and/or ASBA Account holder is liable to be rejected.

#### 4.1.9 ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

- (a) Bidders should ensure that they receive the Acknowledgement Slip duly signed and stamped by the Designated Intermediary(ies), as applicable, for submission of the Bid cum Application Form. Applicants should ensure that they receive the acknowledgment duly signed and stamped by a SCSB, for submission of the Bid cum Application Form.
- (b) All communications in connection with Bids/Applications made in the Issue may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the Bid cum Application Form was submitted.
- (c) The Bidder should give full details such as:



- full name of the sole or first Bidder/Applicant, Bid cum Application Form number, Applicants'/Bidders'
  DP ID, Client ID, PAN, date of the submission of the Bid cum Application Form, address of the Bidder,
  number of Equity Shares applied for;
- ii. name and address of the Designated Intermediary(ies), where the Bid cum Application Form was submitted by the Bidder;
- iii. In case of Bids other than from Anchor Investors, ASBA Account number in which the amount equivalent to the Bid Amount was blocked; or
- iv. In case of Anchor Investor bids, the unique transaction reference (UTR) number and the name of the relevant bank thereof.
- (d) Further, the Investor should also enclose a copy of the Acknowledgment Slip duly received from the Designated Intermediaries in addition to the information mentioned hereinabove. For further details, Bidder/Applicant may refer to the RHP/Prospectus and the Bid cum Application Form.

#### 4.2 INSTRUCTIONS FOR FILING THE REVISION FORM

- a. During the Bid/Issue Period, any Bidder/Applicant (other than QIBs and NIIs, who can only revise their bid upwards) who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the Revision Form, which is a part of the Bid cum Application Form.
- b. RII may revise their bids or withdraw their Bids till the Bid/Issue Close Date.
- Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form.
- d. The Bidder/Applicant can make this revision any number of times during the Bid/Issue Period. However, for any revision(s) in the Bid, the Bidders/Applicants will have to use the services of the same Designated Intermediary through which such Bidder/Applicant had placed the original Bid. Bidders/Applicants are advised to retain copies of the blank Revision Form and the Bid(s) must be made only in such Revision Form or copies thereof.

A sample revision form is reproduced below:



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Instructions to fill each field of the Revision Form can be found on the reverse side of the Revision Form. Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:

4.2.1 FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT



Bidders/Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

#### 4.2.2 FIELD 4 & 5: BID OPTIONS REVISION 'FROM' AND 'TO'

- (a) Apart from mentioning the revised options in the Revision Form, the Bidder/Applicant must also mention the details of all the bid options given in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder/Applicant has Bid for three options in the Bid cum Application Form and such Bidder/Applicant is changing only one of the options in the Revision Form, the Bidder/Applicant must still fill the details of the other two options that are not being revised, in the Revision Form. The Designated Intermediaries may not accept incomplete or inaccurate Revision Forms.
- (b) In case of revision, Bid options should be provided by Bidders/Applicants in the same order as provided in the Bid cum Application Form.
- (c) In case of revision of Bids by RIIs, Employees and Retail Individual Shareholders, such Bidders/Applicants should ensure that the Bid Amount, subsequent to revision, does not exceed ₹ 200,000. In case the Bid Amount exceeds ₹ 200,000 due to revision of the Bid or for any other reason, the Bid may be considered, subject to eligibility, for allocation under the Non-Institutional Category, not being eligible for Discount (if applicable) and such Bid may be rejected if it is at the Cut-off Price. The Cut-off Price option is given only to the RIIs, Employees and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process.
- (d) In case the total amount (i.e., original Bid Amount plus additional payment) exceeds ₹ 200,000, the Bid will be considered for allocation under the Non-Institutional Category in terms of the RHP/Prospectus. If, however, the RII does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid, where possible shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised Bid at Cut-off Price.
- (e) In case of a downward revision in the Price Band, RIIs and Bids by Employees under the Reservation Portion, who have bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of Bidding will be unblocked after the allotment is finalised.

#### 4.2.3 FIELD 6: PAYMENT DETAILS

- (a) All Bidders/Applicants are required to authorize that the full Bid Amount (less Discount (if applicable) is blocked. In case of Bidders/Applicants specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less discount offered, if any.
- (b) Bidder/Applicant may issue instructions to block the revised amount based on cap of the revised Price Band (adjusted for the Discount (if applicable) in the ASBA Account, to the same Designated Intermediary through whom such Bidder/Applicant had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.
- (c) In case the total amount (i.e., original Bid Amount less discount (if applicable) plus additional payment) exceeds ₹ 200,000, the Bid may be considered for allocation under the Non- Institutional Category in terms of the RHP/Prospectus. If, however, the Bidder/Applicant does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for, where possible, may be adjusted downwards for the purpose of Allotment, such that additional amount is blocked and the Bidder/Applicant is deemed to have approved such revised Bid at the Cut-off Price.
- (d) In case of a downward revision in the Price Band, RIIs, Employees and Retail Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked after the basis of allotment.



#### 4.2.4 FIELDS 7: SIGNATURES AND ACKNOWLEDGEMENTS

Bidders/Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

## 4.3 INSTRUCTIONS FOR FILING APPLICATION FORM IN ISSUES MADE OTHER THAN THROUGH THE BOOK BUILDING PROCESS (FIXED PRICE ISSUE)

# 4.3.1 FIELDS 1, 2, 3 NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

#### 4.3.2 FIELD 4: PRICE, APPLICATION QUANTITY & AMOUNT

The Issuer may mention Price or Price Band in the Draft Red Herring Prospectus. However a prospectus registered with RoC contains one price or coupon rate (as applicable).

- (a) Minimum Application Value and Bid Lot: The Issuer in consultation with the Book Running Lead Manager to the Issue (BRLM) may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is above ₹ 100,000. The minimum Lot size is accordingly determined by an Issuer on basis of such minimum application value.
- (b) 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.
- (c) 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.
- (d) An application cannot be submitted for more than the Issue size.
- (e) The maximum application by any Applicant should not exceed the investment limits prescribed for them under the applicable laws.
- (f) **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.
- (g) Applicants are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple applications:
  - (i) All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and FII sub-accounts, Bids bearing the same PAN may be treated as multiple applications by a Bidder/Applicant and may be rejected.
  - (ii) For applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.
- (h) The following applications may not be treated as multiple Bids:
  - (i) Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Issue portion in public category.
  - (ii) Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Bid has been made.



(iii) Applications by Mutual Funds, and sub-accounts of FIIs (or FIIs and its subaccounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

#### 4.3.3 FIELD NUMBER 5: CATEGORY OF APPLICANTS

- (a) The categories of applicants identified as per the SEBI ICDR Regulations, 2009 for the purpose of Bidding, allocation and Allotment in the Issue are RIIs, individual applicants other than RII's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).
- (b) An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations. For details of any reservations made in the Issue, applicants may refer to the Prospectus.
- (c) The SEBI ICDR Regulations specify the allocation or Allotment that may be made to various categories of applicants in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation applicant may refer to the Prospectus.

#### 4.3.4 FIELD NUMBER 6: INVESTOR STATUS

Applicants should refer to instructions contained in paragraphs 4.1.6.

#### 4.3.5 FIELD 7: PAYMENT DETAILS

- (a) All Applicants (other than Anchor Investors) are required to make use ASBA for applying in the Issue.
- (b) Application Amount cannot be paid in cash, through money order, cheques or demand drafts through postal order or through stock invest.

#### 4.3.5.1 Payment instructions for Applicants

- (a) Applicants may submit the Application Form in physical mode to the Designated Intermediaries.
- (b) Applicants must specify only such bank account number maintained with an SCSB in the Bid cum Application Form. The Application Form submitted by an Applicant and which is accompanied by cash, demand draft, money order, cheque, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, will not be accepted.
- (c) Applicants should ensure that the Application Form is also signed by the ASBA Account holder(s) if the Applicant is not the ASBA Account holder;
- (d) Applicants shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.
- (e) From one ASBA Account, a maximum of five Bids cum Application Forms can be submitted.
- (f) Applicants bidding directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- (g) Upon receipt of the Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.
- (h) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form and may upload the details on the Stock Exchange Platform.
- (i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Applications on the Stock Exchange platform and such Applications are liable to be rejected.
- (j) Upon submission of a completed Application Form each Applicant may be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs.
- (k) The Application Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public



- Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Application, as the case may be.
- (l) SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB; else their Applications are liable to be rejected.

#### 4.3.5.2 Unblocking of ASBA Account

- (a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Application, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Application, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected Applications, if any, along with reasons for rejection and details of withdrawn or unsuccessful Applications, if any, to enable the SCSBs to unblock the respective bank accounts.
- (b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful Application to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.
- (c) In the event of withdrawal or rejection of the Application Form and for unsuccessful Applications, the Registrar to the Issue may give instructions to the SCSB to unblock the Application Amount in the relevant ASBA Account within six Working Days of the Issue Closing Date.

#### 4.3.5.3 **Discount** (if applicable)

- (a) The Discount is stated in absolute rupee terms.
- (b) RIIs, Employees and Retail Individual Shareholders are only eligible for discount. For Discounts offered in the Issue, applicants may refer to the Prospectus.
- (c) The Applicants entitled to the applicable Discount in the Issue may make payment for an amount i.e. the Application Amount less Discount (if applicable).

## 4.3.6 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS & ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

Applicants should refer to instructions contained in paragraphs 4.1.8 & 4.1.9.

#### 4.4 SUBMISSION OF BID CUM APPLICATION FORM/REVISION FORM/APPLICATION FORM

# $4.4.1 \ \textbf{Bidders/Applicants may submit completed Bid cum application form/Revision Form in the following manner:-}$

Mode of Application	Submission of Bid cum Application Form
Anchor Investors	To the Book Running Lead Managers at the Specified Locations mentioned in the Anchor
Application Form	Investor Application Form
All Applications (other	(a) To members of the Syndicate in the Specified Locations or Registered Brokers at the
than Anchor Investors)	Broker Centres or the RTAs at the Designated RTA Locations or the CDPs at the
	Designated C DP Locations
	(b) To the Designated Branches of the SCSBs where the ASBA Account is maintained

- (a) Bidders/Applicants should submit the Revision Form to the same Designated Intermediary through which such Bidder/Applicant had placed the original Bid.
- (b) Upon submission of the Bid cum Application Form, the Bidder/Applicant will be deemed to have authorized the Issuer to make the necessary changes in the RHP and the Bid cum Application Form as would be required for



filing Prospectus with the RoC and as would be required by the RoC after such filing, without prior or subsequent notice of such changes to the relevant Bidder/Applicant.

(c) Upon determination of the Issue Price and filing of the Prospectus with the RoC, the Bid cum Application Form will be considered as the application form.

#### SECTION 5: ISSUE PROCEDURE IN BOOK BUILT ISSUE

Book Building, in the context of the Issue, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Issue Price based on the Bids received as detailed in Schedule XI of SEBI ICDR Regulations. The Issue Price is finalised after the Bid/Issue Closing Date. Valid Bids received at or above the Issue Price are considered for allocation in the Issue, subject to applicable regulations and other terms and conditions.

#### **5.1 SUBMISSION OF BIDS**

- (a) During the Bid/Issue Period, Bidders/Applicants may approach any of the Designated Intermediaries to register their Bids. Anchor Investors who are interested in subscribing for the Equity Shares should approach Book Running Lead Manager, to register their Bid.
- (b) In case of Bidders/Applicants (excluding NIIs and QIBs) Bidding at Cut-off Price, the Bidders/Applicants may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).
- (c) For details of the timing on acceptance and upload of Bids in the Stock Exchanges Platform Bidders/Applicants are requested to refer to the RHP.

#### 5.2 ELECTRONIC REGISTRATION OF BIDS

- (a) The Designated Intermediary(ies) may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the issue.
- (b) On the Bid/Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges.
- (c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 pm on the day following the Bid/Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Issue Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

#### 5.3 BUILD UP OF THE BOOK

- (a) Bids received from various Bidders/Applicants through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchanges' on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid/Issue Period.
- (b) Based on the aggregate demand and price for Bids registered on the Stock Exchanges Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchanges may be made available at the Bidding centres during the Bid/Issue Period.

#### 5.4 WITHDRAWAL OF BIDS

(a) RIIs can withdraw their Bids until Bid/Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid/Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.



(b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

#### 5.5 REJECTION & RESPONSIBILITY FOR UPLOAD OF BIDS

- (a) The Designated Intermediaries are individually responsible for the acts, mistakes or errors or omission in relation to:
  - the Bids accepted by the Designated Intermediaries,
  - the Bids uploaded by the Designated Intermediaries, and
  - > the Bid cum application forms accepted but not uploaded by the Designated Intermediaries.
- (b) The 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.
- (d) The SCSBs shall have no right to reject Bids, except in case of unavailability of adequate funds in the ASBA account or on technical grounds.
- (e) 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.
- (f) All bids by QIBs, NIIs & RIIs Bids can be rejected on technical grounds listed herein.

#### 5.5.1 GROUNDS FOR TECHNICAL REJECTIONS

Bid cum Application Forms/Application Forms can be rejected on the below mentioned technical grounds either at the time of their submission to any of the Designated Intermediaries, or at the time of finalisation of the Basis of Allotment. Bidders/Applicants are advised to note that the Bids/Applications are liable to be rejected, inter-alia, on the following grounds, which have been detailed at various places in this GID:-

- (a) Bid/Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);
- (b) Bids/Applications of Bidders (other than Anchor Investors) accompanied by cash, draft, cheques, money order or any other mode of payment other than amounts blocked in the Bidders' ASBA Account maintained with an SCSB;
- (c) Bids/Applications by OCBs;
- (d) In case of partnership firms, Bid/Application for Equity Shares made in the name of the firm. However, a limited liability partnership can apply in its own name;
- (e) In case of Bids/Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents not being submitted along with the Bid cum Application Form/Application Form;
- (f) Bids/Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- (g) Bids/Applications by persons in the United States excluding persons who are a U.S. QIB (as defined in this Draft Red Herring Prospectus);
- (h) Bids/Applications by any person outside India if not in compliance with applicable foreign and Indian laws;
- (i) PAN not mentioned in the Bid cum Application Form/Application Form, except for Bids/Applications by or on behalf of the Central or State Government and officials appointed by the court and by the investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participant;
- (j) In case no corresponding record is available with the Depositories that matches the DPID, the Client ID and the PAN;
- (k) Bids/Applications for lower number of Equity Shares than the minimum specified for that category of investors;
- (1) Bids/Applications at a price less than the Floor Price and Bids/Applications at a price more than the Cap Price;
- (m) Bids/Applications at Cut-off Price by NIIs and QIBs;



- (n) The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- (o) Bids/Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- (p) Submission of more than five Bid cum Application Forms/Application Form as through a single ASBA Account;
- (q) Bids/Applications for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the RHP;
- (r) Multiple Bids/Applications as defined in this GID and the RHP/Prospectus;
- (s) Bid cum Application Forms/Application Forms are not delivered by the Bidders/Applicants within the time prescribed as per the Bid cum Application Forms/Application Form, Bid/Issue Opening Date advertisement and as per the instructions in the RHP and the Bid cum Application Forms;
- (t) Bank account mentioned in the Bid cum Application Form not being an account maintained with an SCSB. Inadequate funds in the bank account to block the Bid/Application Amount specified in the Bid cum Application Form/Application Form at the time of blocking such Bid/Application Amount in the bank account;
- (u) In case of Anchor Investors, Bids/Applications where sufficient funds are not available in Anchor Escrow Accounts as per final certificate from the Anchor Escrow Bank;
- (v) Where no confirmation is received from SCSB for blocking of funds;
- (w) Bids/Applications by Bidders (other than Anchor Investors) not submitted through ASBA process;
- (x) Bids/Applications submitted at locations other than the Specified Locations and Bid cum Application Forms/Application Forms, under the ASBA process, submitted to the Anchor Escrow Bank (assuming that such bank is not a SCSB where the ASBA Account is maintained), to the issuer or the Registrar to the Issue;
- (y) Bids/Applications not uploaded on the terminals of the Stock Exchanges; and
- (z) Bids/Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form.

#### 5.6 BASIS OF ALLOCATION

- (a) The SEBI ICDR Regulations specify the allocation or Allotment that may be made to various categories of Bidders/Applicants in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP/Prospectus. For details in relation to allocation, the Bidder/Applicant may refer to the RHP/Prospectus.
- (b) Under-subscription in any category (except QIB Category) is allowed to be met with spillover from any other category or combination of categories at the discretion of the Issuer and in consultation with the 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 Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders/Applicants may refer to the RHP.

#### (d) Illustration of the Book Building and Price Discovery Process

Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors.

Bidders can bid at any price within the price band. For instance, assume a price band of ₹20 to ₹24 per share, issue size of 3,000 equity shares and receipt of five bids from bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the equity shares of the issuer at various prices and is collated from bids received from various investors.

	Bid Quantity	Bid Amount (₹)	<b>Cumulative Quantity</b>	Subscription
Γ	500	24	500	16.67%
Γ	1,000	23	1,500	50.00%



1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to offer the desired number of equity shares is the price at which the book cuts off, i.e.₹ 22.00 in the above example. The Issuer, in consultation with the book running lead manager, will finalise the issue price at or below such cut-off price, i.e., at or below ₹ 22.00. All bids at or above this issue price and cut-off bids are valid bids and are considered for allocation in the respective categories.

#### (e) Alternate Method of Book Building

In case of FPOs, Issuers may opt for an alternate method of Book Building in which only the Floor Price is specified for the purposes of Bidding ("Alternate Book Building Process"). The Issuer may specify the Floor Price in the RHP or advertise the Floor Price at least one Working Day prior to the Bid/Issue Opening Date. QIBs may Bid at a price higher than the Floor Price and the Allotment to the QIBs is made on a price priority basis. The Bidder with the highest Bid Amount is allotted the number of Equity Shares Bid for and then the second highest Bidder is Allotted Equity Shares and this process continues until all the Equity Shares have been allotted. RIIs, NIIs and Employees are Allotted Equity Shares at the Floor Price and Allotment to these categories of Bidders is made proportionately. If the number of Equity Shares Bid for at a price is more than available quantity then the Allotment may be done on a proportionate basis. Further, the Issuer may place a cap either in terms of number of specified securities or percentage of issued capital of the Issuer that may be Allotted to a single Bidder, decide whether a Bidder be allowed to revise the bid upwards or downwards in terms of price and/or quantity and also decide whether a Bidder be allowed single or multiple bids.

#### SECTION 6: ISSUE PROCEDURE IN FIXED PRICE ISSUE

This being Book Built Issue, this section is not applicable for this Issue.

#### SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The Allotment of Equity Shares to Bidders/Applicants other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to RHP/Prospectus. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Net Issue (excluding any Offer for Sale of specified securities). However, in case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

#### 7.1 ALLOTMENT TO RIIS

Bids received from the RIIs at or above the Issue Price may be grouped together to determine the total demand under this category. If the aggregate demand in this category is less than or equal to the Retail Category at or above the Issue Price, full Allotment may be made to the RIIs to the extent of the valid Bids. If the aggregate demand in this category is greater than the allocation to in the Retail Category at or above the Issue Price, then the maximum number of RIIs who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot ("Maximum RII Allottees"). The Allotment to the RIIs will then be made in the following manner:

(a) In the event the number of RIIs who have submitted valid Bids in the Issue is equal to or less than Maximum RII Allottees, (i) all such RIIs shall be Allotted the minimum Bid Lot; and (ii) the balance available Equity Shares, if any, remaining in the Retail Category shall be Allotted on a proportionate basis to the RIIs who have received Allotment as per (i) above for the balance demand of the Equity Shares Bid by them (i.e. who have Bid for more than the minimum Bid Lot).



(b) In the event the number of RIIs who have submitted valid Bids in the Issue is more than Maximum RII Allottees, the RIIs (in that category) who will then be Allotted minimum Bid Lot shall be determined on the basis of draw of lots.

#### 7.2 ALLOTMENT TO NIIs

Bids received from NIIs at or above the Issue Price may be grouped together to determine the total demand under this category. The Allotment to all successful NIIs may be made at or above the Issue Price. If the aggregate demand in this category is less than or equal to the Non-Institutional Category at or above the Issue Price, full Allotment may be made to NIIs to the extent of their demand. In case the aggregate demand in this category is greater than the Non-Institutional Category at or above the Issue Price, Allotment may be made on a proportionate basis up to a minimum of the Non-Institutional Category.

#### 7.3 ALLOTMENT TO QIBs

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations, 2009 or RHP/Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner:

- (a) In the first instance allocation to Mutual Funds for up to 5% of the QIB Category may be determined as follows: (i) In the event that Bids by Mutual Fund exceeds 5% of the QIB Category, allocation to Mutual Funds may be done on a proportionate basis for up to 5% of the QIB Category; (ii) In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Category then all Mutual Funds may get full Allotment to the extent of valid Bids received above the Issue Price; and (iii) Equity Shares remaining unsubscribed, if any and not allocated to Mutual Funds may be available for Allotment to all QIBs as set out at paragraph 7.4(b) below;
- (b) In the second instance, Allotment to all QIBs may be determined as follows: (i) In the event of oversubscription in the QIB Category, all QIBs who have submitted Bids above the Issue Price may be Allotted Equity Shares on a proportionate basis for up to 95% of the QIB Category; (ii) Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIBs; and (iii) Under-subscription below 5% of the QIB Category, if any, from Mutual Funds, may be included for allocation to the remaining QIBs on a proportionate basis.

#### 7.4 ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)

- (a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Issue Price will be at the discretion of the issuer in consultation with the Selling Shareholder and the BRLMs, subject to compliance with the following requirements:
  - i. not more than 60% of the QIB Category will be allocated to Anchor Investors;
  - ii. one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
  - iii. allocation to Anchor Investors shall be on a discretionary basis and subject to:
    - a maximum number of two Anchor Investors for allocation up to ₹ 10 crores;
    - a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 10 crores and up to ₹ 250 crores subject to minimum Allotment of ₹ 5 crores per such Anchor Investor; and
    - a minimum number of five Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 250 crores, and an additional 10 Anchor Investors for every additional ₹ 250 crores or part thereof, subject to minimum Allotment of ₹ 5 crores per such Anchor Investor.



- (c) 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.
- (d) 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.
- (e) **In the event the Issue Price is lower than the Anchor Investor Issue Price:** Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

### 7.5 BASIS OF ALLOTMENT FOR QIBs (OTHER THAN ANCHOR INVESTORS), NIIs AND RESERVED CATEGORY IN CASE OF OVER-SUBSCRIBED ISSUE.

In the event of the Issue being over-subscribed, the Issuer may finalise the Basis of Allotment in consultation with the Designated Stock Exchange in accordance with the SEBI ICDR Regulations.

The allocation may be made in marketable lots, on a proportionate basis as explained below:

- (a) Bidders may be categorized according to the number of Equity Shares applied for;
- (b) The total number of Equity Shares to be Allotted to each category as a whole may be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the oversubscription ratio;
- (c) The number of Equity Shares to be Allotted to the successful Bidders may be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio;
- (d) In all Bids where the proportionate Allotment is less than the minimum Bid Lot decided per Bidder, the Allotment may be made as follows: the successful Bidders out of the total Bidders for a category may be determined by a draw of lots in a manner such that the total number of Equity Shares Allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above; and each successful Bidder may be Allotted a minimum of such Equity Shares equal to the minimum Bid Lot finalised by the Issuer;
- (e) If the proportionate Allotment to a Bidder is a number that is more than the minimum Bid lot but is not a multiple of one (which is the marketable lot), the decimal may be rounded off to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5 it may be rounded off to the lower whole number. Allotment to all Bidders in such categories may be arrived at after such rounding off; and
- (f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares Allotted to the Bidders in that category, the remaining Equity Shares available for Allotment may be first adjusted against any other category, where the Allotted Equity Shares are not sufficient for proportionate Allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment may be added to the category comprising Bidders applying for minimum number of Equity Shares.

#### 7.6 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

(a) **Designated Date:** On the Designated Date, the Escrow Collection Banks shall transfer the funds represented by allocation of Equity Shares to Anchor Investors from the Escrow Account, as per the terms of the Anchor Escrow Agreement, into the Public Issue Account with the Bankers to the Issue. The balance amount after



transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the Bidders applying in the Anchor Investor Portion shall be made from the Refund Account as per the terms of the Anchor Escrow Agreement and the RHP. On the Designated Date, the Registrar to the Issue shall instruct the SCSBs to transfer funds represented by allocation of Equity Shares from ASBA Accounts into the Public Issue Account.

(b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Bidders/Applicants are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders/Applicants who have been Allotted Equity Shares in the Issue.

- (c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.
- (d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) credit of shares to the successful Bidders/Applicants Depository Account will be completed within six Working Days of the Bid/Issue Closing Date. The Issuer also ensures the credit of shares to the successful Applicant's depository account is completed within five Working Days from the Bid/Issue Close Date.

#### **SECTION 8: INTEREST AND REFUNDS**

#### 9.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within six Working Days of the Bid/Issue Closing Date. The Registrar to the Issue may initiate corporate action for credit to Equity Shares the beneficiary account with CDPs, and dispatch the Allotment Advice within six Working Days of the Bid/Issue Closing Date.

#### 9.2 GROUNDS FOR REFUND

#### 9.2.1 NON RECEIPT OF LISTING PERMISSION

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in RHP/Prospectus. The Designated Stock Exchange may be as disclosed in the RHP/Prospectus with which the Basis of Allotment may be finalised.

If the Issuer fails to make application to the Stock Exchange(s) or obtain permission for listing of the Equity Shares, in accordance with the provisions of Section 40 of the Companies Act, 2013, the Issuer shall be punishable with a fine which shall not be less than  $\stackrel{?}{\underset{?}{$\sim}}$  5 lakhs but which may extend to  $\stackrel{?}{\underset{?}{$\sim}}$  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  $\stackrel{?}{\underset{?}{$\sim}}$  50,000 but which may extend to  $\stackrel{?}{\underset{?}{$\sim}}$  3 lakhs, or with both.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith take steps to refund, without interest, all moneys received from Bidders/Applicants.

If such money is not refunded to the Bidders/Applicants within the prescribed time after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of such period, be liable to repay the money, with interest at such rate, as disclosed in the RHP/Prospectus.

#### 9.2.2 NON RECEIPT OF MINIMUM SUBSCRIPTION



If the Issuer does not receive a minimum subscription of 90% of the Net Issue (excluding any offer for sale of specified securities), including devolvement to the Underwriters, the Issuer may forthwith, take steps to unblock the entire subscription amount received within six Working Days of the Bid/Issue Closing Date and repay, without interest, all moneys received from Anchor Investors. In case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable. In case of under-subscription in the Issue, the Equity Shares in the Issue will be issued prior to the sale of Equity Shares in the Offer for Sale.

If there is a delay beyond the prescribed time after the Issuer becomes liable to pay or unblock the amount received from Bidders, then the Issuer and every director of the Issuer who is an officer in default may on and from expiry of 15 Working Days, be jointly and severally liable to repay the money, with interest at the rate of 15% per annum in accordance with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended.

#### 9.2.3 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.

#### 9.2.4 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.

#### 9.3 MODE OF REFUND

- (a) In case of Bids/Applications (other than Anchor Investors): Within six Working Days of the Bid/Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Bid/Application and also for any excess amount blocked on Bidding/Application.
- (b) **In case of Anchor Investors:** Within six Working Days of the Bid/Issue Closing Date, the Registrar to the Issue may dispatch the refund orders for all amounts payable to unsuccessful Anchor Investors.
- (c) In case of Anchor Investors, the Registrar to the Issue may obtain from the depositories, the Bidders/Applicants' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Anchor Investors in their Anchor Investor Application Forms for refunds. Accordingly, Anchor Investors are advised to immediately update their details as appearing on the records of their depositories. Failure to do so may result in delays in dispatch of refunds through electronic transfer of funds, as applicable, and any such delay may be at the Anchor Investors' sole risk and neither the Issuer, the Registrar to the Issue, the Anchor Escrow Bank, or the Syndicate, may be liable to compensate the Anchor Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay. Please note that refunds shall be credited only to the bank account from which the Bid Amount was remitted to the Anchor Escrow Bank.

#### 9.3.1 Electronic mode of making refunds for Anchor Investors

The payment of refund, if any, may be done through various electronic modes as mentioned below:

(a) **NEFT**—Payment of refund may be undertaken through NEFT wherever the branch of the Anchor Investors' bank is NEFT enabled and has been assigned the Indian Financial System Code ("**IFSC**"), which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Anchor Investors have registered their nine- digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Anchor Investors through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;



- (b) **Direct Credit**—Anchor Investors having their bank account with the Anchor Escrow and Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;
- (c) RTGS —Anchor Investors having a bank account with a bank branch which is RTGS enabled as per the information available on the website of RBI and whose refund amount exceeds ₹ 0.2 million, shall be eligible to receive refund through RTGS, provided the Demographic Details downloaded from the Depositories contain the nine digit MICR code of the Anchor Investor's bank which can be mapped with the RBI data to obtain the corresponding Indian Financial System Code ("IFSC"). Charges, if any, levied by the Anchor Escrow Bank for the same would be borne by our Company. Charges, if any, levied by the Anchor Investor's bank receiving the credit would be borne by the Anchor Investor. Please note that refunds through the above mentioned modes shall be credited only to the bank account from which the Bid Amount was remitted to the Anchor Escrow Bank. For details of levy of charges, if any, for any of the above methods, i n c l u d i n g bank charges, etc. Anchor Investors may refer to RHP/Prospectus.

#### 9.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at the rate of 15% per annum where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/or demat credits are not made to Bidders/Applicants or instructions for unblocking of funds in the ASBA Account are not dispatched within the six Working days of the Bid/Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 15 days from the Bid/Issue Closing Date, if Allotment is not made.

#### **SECTION 9: GLOSSARY AND ABBREVIATIONS**

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.

Term	Description
Allotment/ Allot/ Allotted	The allotment of Equity Shares pursuant to the Issue to successful
	Bidders/Applicants
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders/Applicants who have
	been allotted Equity Shares after the Basis of Allotment has been approved by the
	designated Stock Exchanges
Allottee	A Bidder/Applicant to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in
	accordance with the requirements specified in SEBI ICDR Regulations, 2009 and
	the Red Herring Prospectus.
Anchor Investor	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion
Application Form	and which will be considered as an application for Allotment in terms of the Red
	Herring Prospectus and Prospectus
Anchor Investor Portion	Upto 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 Supported by	An application, whether physical or electronic, used by Bidders/Applicants to make
Blocked Amount/	a bid/application authorizing an SCSB to block the Bid Amount in the specified
(ASBA)/ASBA	bank account maintained with such SCSB
Application Supported by	An application form, whether physical or electronic, used by ASBA
Blocked Amount Form	Bidders/Applicants, which will be considered as the application for Allotment in
/ASBA Form	terms of the Red Herring Prospectus and the Prospectus



Term	Description
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the
	extent of the Bid amount of the ASBA Bidder.
ASBA Bidder	All Bidders/Applicants except Anchor Investors
Banker(s) to the	The banks which are clearing members and registered with SEBI as Banker to the
Offer/Escrow Collection	Offer with whom the Escrow Account for Anchor Investors may be opened, and as
Bank(s)/Collecting Banker	disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful
	Bidders/Applicants under the Issue
Bid	An indication to make an offer during the Bid/Issue Period by a Bidder(other than
	an Anchor Investor) or on Anchor Investor Bidding Date by an Anchor Investor,
	pursuant to submission of the Bid cum Application Form, to subscribe to or
	purchase the Equity Shares at a price within the Price Band, including all revisions
	and modifications thereto as permitted under the SEBI ICDR Regulations in
D'14	accordance with the Red Herring Prospectus and Bid cum Application Form
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and
	in the case of Retail Individual Bidders Bidding at Cut Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder
	and mentioned in the Bid cum Application Form and payable by the Retail
	Individual Bidder or blocked in the ASBA Account upon submission of the Bid in
	the Issue
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires
Bid/Issue Closing Date	Except in the case of Anchor Investors (if applicable), the date after which the
Bid, issue Closing Bute	Designated Intermediaries may not accept any Bids for the Issue, which may be
	notified in an English national daily, a Hindi national daily and a regional language
	newspaper at the place where the registered office of the Issuer is situated, each
	with wide circulation. Bidders/Applicants may refer to the RHP/Prospectus for the
	Bid/Issue Closing Date
Bid/Issue Opening Date	The date on which the Designated Intermediaries may start accepting Bids for the
	Issue, which may be the date notified in an English national daily, a Hindi national
	daily and a regional language newspaper at the place where the registered office of
	the Issuer is situated, each with wide circulation. Bidders/Applicants may refer to
	the RHP/Prospectus for the Bid/Issue Opening Date
Bid/Issue Period	Except in the case of Anchor Investors (if applicable), the period between the
	Bid/Issue Opening Date and the Bid/Issue Closing Date inclusive of both days and
	during which prospective ASBA Bidders/Applicants can submit their Bids,
	inclusive of any revisions thereof. The Issuer may consider closing the Bid/Issue Period for QIBs one working day prior to the Bid/Issue Closing Date in accordance
	with the SEBI ICDR Regulations, 2009. Bidders/Applicants may refer to the
	RHP/Prospectus for the Bid/Issue Period
Bidder/Applicant	Any prospective investor who makes a Bid/Application pursuant to the terms of the
Druden, rippiream	RHP/Prospectus and the Bid cum Application Form. In case of issues undertaken
	through the fixed price process, all references to a Bidder/Applicants should be
	construed to mean an Applicant
Book Built Process/ Book	The book building process as provided under SEBI ICDR Regulations, 2009,
Building Process/ Book	
Building Method	
Broker Centres	Broker Centres notified by the Stock Exchanges, where Bidders/Applicants can
	submit the Bid cum Application Form to a Registered Broker. The details of such
	broker centres, along with the names and contact details of the Registered Brokers
	are available on the websites of the Stock Exchanges.



Term	Description
Book Running Lead	The Book Running Lead Manager to the Issue as disclosed in the RHP/Prospectus
Manager/ BRLM/ Lead	and the Bid cum Application Form of the Issuer. In case of issues undertaken
Manager/ LM	through the fixed price process, all references to the Book Running Lead Manager
	should be construed to mean the Book Running Lead Manager or LM
Business Day	Monday to Saturday (except 2 <sup>nd</sup> and 4 <sup>th</sup> Saturday of a month and public holidays)
CAN/Confirmation of	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors,
Allotment Note	who have been allocated the Equity Shares, after the Anchor Investor Bid/Issue
	Period
Cap Price	The higher end of the Price Band, above which the Issue Price and the Anchor
	Investor Issue Price may not be finalised and above which no Bids may be accepted
Client ID	Client Identification Number maintained with one of the Depositories in relation to
	demat account
Collecting Depository	A depository participant as defined under the Depositories Act, 1996, registered
Participant or CDP	with SEBI and who is eligible to procure Bids/Applications at the Designated
	CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated
	November 10, 2015 issued by SEBI
Cut-off Price	Issue Price, finalized by the Issuer in consultation with the Book Running Lead
	Manager(s), which can be any price within the Price Band. Only RIBs, Retail
	Individual Shareholders and employees are entitled to Bid at the Cut-off Price. No
	other category of Bidders/Applicants are entitled to Bid at the Cut-off Price
DP	Depository Participant
DP ID	Depository Participant's Identification Number
Depositories	National Securities Depository Limited and Central Depository Services (India)
D 11 D 11	Limited
Demographic Details	Details of the Bidders/Applicants including the Bidders/Applicant's address, name
	of the Applicant's father/husband, investor status, occupation and bank account
Designated Dranches	details  Such bronches of the SCSDs which may collect the Did sum Application Forms
Designated Branches	Such branches of the SCSBs which may collect the Bid cum Application Forms used by the ASBA Bidders/Applicants (excluding Anchor Investor) applying
	through the ASBA and a list of which is available on
	www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34
Designated CDP Locations	Such locations of the CDPs where Bidder/Applicant can submit the Bid cum
Designated CD1 Eccurions	Application Forms to Collecting Depository Participants.
	The details of such Designated CDP Locations, along with names and contact
	details of the Collecting Depository Participants eligible to accept Bid cum
	Application Forms are available on the websites of the Stock Exchange.
Designated RTA Locations	Such locations of the RTAs where Bidder/Applicant can submit the Bid cum
	Application Forms to RTAs.
	The details of such Designated RTA Locations, along with names and contact
	details of the RTAs eligible to accept Bid cum Application Forms are available on
	the websites of the Stock Exchange.
Designated 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
Designated Stock	Bidders/Applicants in the Fresh Issue.  The designated stock exchange as disclosed in the Red Herring Prospectus/
Exchange Stock	Prospectus of the Issuer
Designated Intermediaries	Syndicate Members, Sub-Syndicate/Agents, SCSBs, Registered Brokers, Brokers,
/Collecting Agent	the CDPs and RTAs, who are authorized to collect ASBA Application Forms from
, concerning rigenit	the Bidders/Applicants, in relation to the Issue



Term	Description
Discount	Discount to the Issue Price that may be provided to Bidders/Applicants in
2150 3 4110	accordance with the SEBI ICDR Regulations, 2009.
Draft Red Herring	The Draft Red Herring Prospectus issued in accordance with section 32 of the
Prospectus or DRHP	Companies Act, 2013 and filed with the Emerge Platform of National Stock
	Exchange of India under SEBI (ICDR) Regulations
Employees	Employees of an Issuer as defined under SEBI ICDR Regulations, 2009 and
	including, in case of a new company, persons in the permanent and full time
	employment of the promoting companies excluding the promoters and immediate
	relatives of the promoter. For further details Bidders/Applicants may refer to the
	RHP/ Prospectus
Equity Shares	Equity shares of the Issuer
Escrow Account	Account opened with the Escrow Collection Bank(s) and in whose favour the
	Anchor Investors may transfer money through NEFT/RTGS/direct credit in respect
	of the Bid Amount when submitting a Bid
Escrow Agreement	Agreement to be entered into among the Issuer, the Registrar to the Issue, the Book
	Running Lead Manager(s), the Escrow Collection Bank(s) and the Refund Bank(s)
	for collection of the Bid Amounts from Anchor Investors and where applicable,
	remitting refunds of the amounts collected to the Anchor Investors on the terms and
	conditions thereof
Escrow Collection Bank(s)	Refer to definition of Banker(s) to the Issue
FCNR Account	Foreign Currency Non-Resident Account
First Bidder/Applicant	The Bidder/Applicant whose name appears first in the Bid cum Application Form
	or Revision Form
FII(s)	Foreign Institutional Investors as defined under the SEBI (Foreign Institutional
	Investors) Regulations, 1995 and registered with SEBI under applicable laws in
Elect/ call Didden	India
First/ sole Bidder	Bidder whose name shall be mentioned in the Bid cum Application Form or the
	Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, at or above which the Issue Price and the Anchor
1100111100	Investor Price may be finalised and below which no Bids may be accepted, subject
	to any revision thereto
FPIs	Foreign Portfolio Investors as defined under the Securities and Exchange Board of
	India (Foreign Portfolio Investors) Regulations, 2014
FPO	Further public offering
Foreign Venture Capital	Foreign Venture Capital Investors as defined and registered with SEBI under the
Investors or FVCIs	SEBI (Foreign Venture Capital Investors) Regulations, 2000
IPO	Initial public offering
Issue	The Initial Public Issue of up to 54,96,000 Equity Shares of face value of Rs.10
	each for cash at a price of Rs. [●] each, aggregating up to Rs.[●]
Issue Price	The final price, less discount (if applicable) at which the Equity Shares may be
	Allotted to Bidders other than Anchor Investors, in terms of the Prospectus. Equity
	Shares will be Allotted to Anchor Investors at the Anchor Investor Issue Price The
	Issue Price may be decided by the Issuer in consultation with the Book Running
	Lead Manager(s)
Issuer/ Company	The Issuer proposing the initial public offering/further public offering as applicable
Maximum RIB Allottees	The maximum number of RIBs who can be allotted the minimum Bid/Application
	Lot. This is computed by dividing the total number of Equity Shares available for
Luce	Allotment to RIIs by the minimum Bid/Application Lot.
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations,
NECS	1996 National Electronic Cleaning Service
NECS	National Electronic Clearing Service



Term	Description
NEFT	National Electronic Fund Transfer
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an
	offer or invitation under the Issue and in relation to whom the Prospectus
	constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
Net Issue	The Issue less Market Maker reservation portion
Non-Institutional Investors	All Bidders/Applicants, including sub accounts of FIIs registered with SEBI which
or NIIs	are foreign corporate or foreign individuals and FPIs which are Category III foreign
	portfolio investors, that are not QIBs or RIBs and who have Applied for Equity
	Shares for an amount of more than ₹ 200,000 (but not including NRIs other than
	Eligible NRIs)
Non-Institutional Category	The portion of the Issue being such number of Equity Shares available for
	allocation to NIIs on a proportionate basis and as disclosed in the RHP/Prospectus
	and the Bid cum Application Form
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible
	NRIs, FIIs, FPIs and FVCIs
OCB/Overseas Corporate	A company, partnership, society or other corporate body owned directly or
Body	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
0.1	FEMA
Other Investors	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 Allocation
	Price. The Issue Price may be decided by the Issuer in consultation with the Book
PAN	Running Lead Manager(s)  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,
Frice Baild	being the Cap Price and includes revisions thereof. The Price Band and the
	minimum Bid lot size for the Issue may be decided by the Issuer in consultation
	with the Book Running Lead Manager(s) and advertised, at least five working days
	in case of an IPO and one working day in case of FPO, prior to the Bid/Issue
	Opening Date, in English national daily, Hindi national daily and regional language
	at the place where the registered office of the Issuer is situated, newspaper each
	with wide circulation
Pricing Date	The date on which the Issuer in consultation with the Book Running Lead
	Manager(s), finalize the Issue Price
Prospectus	The prospectus to be filed with the RoC in accordance with Section 32 of the
-	Companies Act, 2013 read with section 26 of Companies Act 2013 after the
	Pricing Date, containing the Issue Price, the size of the Issue and certain other
	information
Public Issue Account	An account to be opened with the Banker to the Issue to receive monies from the
	ASBA Accounts on the Designated Date
QIB Category	The portion of the Issue being such number of Equity Shares to be Allotted to QIBs
	on a proportionate basis
Qualified Institutional	As defined under SEBI ICDR Regulations, 2009
Buyers or QIBs	
RTGS	Real Time Gross Settlement



Term	Description
Red Herring Prospectus/	The red herring prospectus to be issued in accordance with Section 32 of the
RHP	Companies Act, 2013, which does not have complete particulars of the price at
	which the Equity Shares are offered and the size of the Issue. The RHP may be
	filed with the RoC at least three days before the Bid/Issue Opening Date and may
	become a Prospectus upon filing with the RoC after the Pricing Date. In case of
	issues undertaken through the fixed price process, all references to the RHP should
	be construed to mean the Prospectus
Refund Account	The account to be opened with Refund Bank, from which refunds to Anchor
	Investors, if any, of the whole or part of the Bid Amount may be made
Refund bank	Refund bank as disclosed in the RHP/Prospectus and Bid cum Application Form of
	the Issuer
Registrar and Share	Registrar and share transfer agents registered with SEBI and eligible to procure
Transfer Agents or RTAs	Bids at the Designated RTA Locations in terms of circular no.
	CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registered Broker	Stock Brokers registered with the Stock Exchanges having nationwide terminals,
	other than the members of the Syndicate
Registrar to the Issue /RTI	The Registrar to the Issue as disclosed in the RHP/Prospectus and Bid cum
	Application Form
Reserved Category/	Categories of persons eligible for making application/Bidding under reservation
Categories	portion
Reservation Portion	The portion of the Issue reserved for category of eligible Bidders/Applicants as
	provided under the SEBI ICDR Regulations, 2009
Retail Individual Investors	Investors who applies or bids for a value of not more than ₹ 200,000.
/ RIIs	
Retail Individual Shareholders	Shareholders of a listed Issuer who applies or bids for a value of not more than ₹
Retail Category	200,000.  The portion of the Issue being such number of Equity Shares available for
Retail Category	allocation to RIIs which shall not be less than the minimum bid lot, subject to
	availability in RII category and the remaining shares to be allotted on proportionate
	basis.
Revision Form	The form used by the Bidders in an issue to modify the quantity of Equity Shares
	indicates therein in any of their Bid cum Application Forms or any previous
	Revision Form(s)
RoC	The Registrar of Companies
SEBI	The Securities and Exchange Board of India constituted under the Securities and
	Exchange Board of India Act, 1992
SEBI ICDR Regulations,	The Securities and Exchange Board of India (Issue of Capital and Disclosure
2009	Requirements) Regulations, 2009
Self Certified Syndicate	A bank registered with SEBI, which offers the facility of ASBA and a list of which
Bank(s) or SCSB(s)	is available on
	https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised
Specified Locations	Refer to definition of Broker Centers
Stock Exchanges/ SE	The stock exchanges as disclosed in the RHP/Prospectus of the Issuer where the
a u	Equity Shares Allotted pursuant to the Issue are proposed to be listed
Syndicate	The Book Running Lead Manager(s) and the Syndicate Member
Syndicate Agreement	The agreement to be entered into among the Issuer, and the Syndicate in relation to
	collection of the Bids in this Issue (excluding Application from ASBA Applicants),
Candinate Marchan(a)/CD4	if any The Symdicate Member(s) as disclosed in the Presmettys
Syndicate Member(s)/SM	The Syndicate Member(s) as disclosed in the Prospectus  The Book Punning Lead Manager(s) and the Syndicate Member(s)
Underwriting Agreement	The Book Running Lead Manager(s) and the Syndicate Member(s)
Underwriting Agreement	The agreement amongst the Issuer, and the Underwriters to be entered into on or
	after the Pricing Date



Term	Description		
Working Day	"Working Day" means all days, other than second and fourth Saturday of the		
	month, Sunday or a public holiday, on which commercial banks in Mumbai are		
	open for business; provided however, with reference to (a) announcement of Price		
Band; and (b) Bid/Offer Period, "Working Day" shall mean all days			
	Saturdays, Sundays or a public holiday, on which commercial banks in Mumbai are		
	open for business; and with reference to the time period between the Bid/Offer		
	Closing Date and the listing of the Equity Shares on the Stock Exchanges,		
"Working Day" shall mean all trading days of Stock Exchang			
	Sundays and bank holidays, as per the SEBI Circular		
	SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016		



#### RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the RBI and the relevant ministry or ministries of the Government of India.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("DIPP"), issued the consolidated FDI policy circular of 2017 ("FDI Policy 2017"), which with effect from August 28, 2017, consolidates and supersedes all previous press notes, press releases and clarifications on FDI policy issued by the DIPP that were in force and effect as on August 28, 2017.

Subject to certain conditions, the transfer of shares by way of sale between an Indian resident and a non-resident does not require the prior approval of the RBI or the relevant ministry or ministries of the Government of India, provided that (i) the activities of the investee company are under the automatic route under the FDI Policy 2017 and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy 2017; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI and the RBI.

As per the existing policy of the Government of India, OCBs cannot participate in the Offer.

The Equity Shares have not been and will not be registered under the Securities Act or any other applicable law of the United States and, unless so registered, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) within the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the Securities Act and referred to in this Draft Red Herring Prospectus as "U.S. QIBs", for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as "QIBs") in transactions exempt from, or not subject to, the registration requirements of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the investors. Our Company and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws.



# SECTION VIII - MAIN PROVISIONS OF ARTICLES OF ASSOCIATION OF OUR COMPANY

Pursuant to Schedule I of the Companies Act, 2013 and the SEBI ICDR Regulations, the Main provisions of the Articles of Association relating to voting rights, dividend, lien, forfeiture, restrictions on transfer and Transmission of equity shares or debentures, their consolidation or splitting are as provided below. Each provision below is numbered as per the corresponding article number in the articles of association and defined terms herein have the meaning given to them in the Articles of Association.

ARTICLE NO.	INTERPRETATION	HEADING
1.	In these Articles unless there be something in the subject matter or context inconsistent therewith:	
	i. "The Act" means the Companies Act, 2013 and includes any statutory modification or re-enactment thereof for the time being in force.	The Act
	ii."Articles" means Articles of Association of the Company as originally framed or altered from time to time	Articles
	iii. "Beneficial Owner" shall have the meaning assigned thereto by Section 2(1) (a) of the Depositories Act, 1996.	Beneficial Owner
	iv. "Board" or "Board of Director" means the Collective body of the Board of Directors of the Company.	Board or Board of Director
	v."Chairman" means the Chairman of the Board of the Directors of the Company.	Chairman
	vi. "The Company" means Cabcon India Limited	The Company
	vii. "Depositories Act, 1996" shall mean Depositories Act, 1996 and include any Statutory modification or re-enactment thereof for the time being in force.	Depositories Act, 1996
	viii. "Depository" shall have the meaning assigned thereto by Section 2 (1) (e) of the Depositories Act, 1996.	Depository
	ix. "Directors" mean the Directors for the time being of the Company.	Directors
	x."Dividend" includes any interim dividend.	Dividend
	xi. "Document" means a document as defined in Section 2 (36) of the Companies Act, 2013	Document
	xii. "Equity Share Capital", with reference to any Company limited by shares, means all share capital which is not preference share capital.	Equity Share Capital
	xiii. "KMP" means Key Managerial Personnel of the Company provided as per the relevant sections of the Act.	KMP
	xiv."Managing Director" means a Director who by virtue or an agreement with the Company or of a resolution passed by the Company in general meeting or by its Board of Directors or by virtue of its Memorandum or Articles of Association is entrusted with substantial powers of management and includes a director occupying the position of managing director, by whatever name called.	Managing Director
	xv. "Month" means Calendar month.	Month
	xvi."Office" means the registered office for the time being of the Company.	Office
	xvii. "Paid-up share capital" or "share capital paid-up" means such aggregate amount of money credited as paid-up as is equivalent to the amount received as paid up in respect of shares issued and also includes any amount credited as paid-up in respect of shares of the company, but does not include any other amount received in respect of such shares, by whatever name called.	Paid-up share capital
	xviii. "Postal Ballot" means voting by post or through any electronic mode.	Postal Ballot
	xix. "Proxy" includes attorney duly constituted under the power of attorney to vote for a member at a General Meeting of the Company on poll.	Proxy
	xx."Public Holiday" means a Public Holiday within the meaning of the Negotiable Instruments Act, 1881 (XXVI of 1881); provided that no day declared by the Central Government to be such a holiday shall be deemed to be such a holiday in relation to any meeting unless the declaration was	Public Holiday



	notified before the issue of the notice convening such meeting.	
	xxi."Registrar" means the Registrar of Companies of the state in which the Registered Office of the Company is for the time being situated and	
	includes an Additional Registrar a Joint Registrar, a Deputy Registrar or an Assistant Registrar having the duty of registering companies and discharging various functions under this Act.	Registrar
	xxii. "Rules" means the applicable rules as prescribed under the relevant sections of the Act for time being in force.	Rules
	xxiii." <b>SEBI</b> " means Securities & Exchange Board of India established under Section 3 of the Securities & Exchange Board of India Act, 1992.	SEBI
	xxiv."Securities" means the securities as defined in clause (h) of Section 2 of the Securities Contracts (Regulation) Act, 1956 (42 of 1956)	Securities
	xxv. "Share" means share in the Share Capital of the Company and includes stock except where a distinction between stock and share is expressed or implied.	Share
	xxvi."Seal" means the common seal of the Company.	Seal
	xxvii. "Preference Share Capital", with reference to any Company limited by shares, means that part of the issued share capital of the Company which carries or would carry a preferential right with respect to—  (a) payment of dividend, either as a fixed amount or an amount calculated at a fixed rate, which may either be free of or subject to income-tax; and	Preference Share
	(b) repayment, in the case of a winding up or repayment of capital, of the amount of the share capital paid-up or deemed to have been paid-up, whether or not, there is a preferential right to the payment of any fixed premium or premium on any fixed scale, specified in the memorandum or articles of the Company;	Capital
	Words imparting the plural number also include, where the context requires or admits, the singular number, and vice versa.  Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the Company.  'In writing' and 'written' includes printing, lithography and other modes of representing or reproducing words in a visible form.	
3.	The Authorized Share Capital of the Company shall be such amount and be divided into such shares as may from time to time be provided in Clause V of the Memorandum of Association with power to increase or reduce the capital and divide the shares in the capital of the Company (including Preferential Share Capital, if any) and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions as may be determined in accordance with these presents and to modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be permitted by the said Act.  Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Directors who may issue, allot or	Share Capital
4.	otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit. Further provided that the option or right to call of shares shall not be given to any person except with the sanction of the Company in general meeting.  Subject to provisions of Section 54 of the Act read with Companies (Share Capital and Debentures) Rules, 2014, the Company may issue Sweat Equity Shares on such terms and in such manner as the Board may determine.  The Company shall have powers to issue any debentures, debenture-stock or other	Issue of Sweat Equity Shares Issue of Debentures
	The company shall have powers to issue any desentates, desentate stock of other	Logar of Depositures



	connition at Day discount manning or otherwise and man be issued as an alliforn	
	securities at Par, discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending the General Meetings (but not voting on any business to be conducted), appointment of Directors on Board and otherwise Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the	
	company in the General Meeting by a Special Resolution.	
7.	<ul> <li>i. Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within fifteen days (15) of the application for registration of transfer of transmission or within such other period as the conditions of issue shall be provided,— <ul> <li>a. one certificate for all his shares without payment of any charges; or</li> <li>b. Several certificates, each for one or more of his shares, upon payment of Rupees twenty for each certificate after the first.</li> <li>ii. The Company agrees to issue certificate within fifteen days of the date of lodgement of transfer, sub-division, consolidation, renewal, exchange or endorsement of calls/allotment monies or to issue within fifteen days of such lodgement for transfer, Pucca Transfer Receipts in denominations corresponding to the market units of trading autographically signed by a responsible official of the Company and bearing an endorsement that the transfer has been duly approved by the Directors or that no such approval is necessary;</li> <li>iii. Every certificate shall specify the shares to which it relates and the amount paid-up thereon.</li> <li>iv. In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.</li> </ul> </li> <li>If any share certificate be worn out, defaced, mutilated or torn or if there be no</li> </ul>	Issue of Share Certificates
	further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty Rupees for each certificate.	
8.	Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.	
9.	The provisions of these Articles relating to issue of Certificates shall mutatis mutandis apply to any other securities including Debentures (except where the Act otherwise requires) of the Company.	
10.	<ul> <li>i. The Company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.</li> <li>ii. The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.</li> <li>iii. The commission may be satisfied by the payment of cash or the allotment</li> </ul>	Power to pay Commission In connection with the Securities issued



	of fully or partly paid shares or partly in the one way and partly in the other.	
11.	<ul> <li>i. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.</li> <li>ii. To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.</li> <li>The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms</li> </ul>	Variations of Shareholder's rights
	of issue of the shares of that class, be deemed to be varied by the creation or issue of	
13.	further shares ranking pari passu therewith.  Subject to the provisions of section 55 and 62, any preference shares may with the	
15.	sanction of ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the Company before the issue of the shares may, by special resolution, determine.	Issue of Preference Shares
14.	<ol> <li>(1) Where at any time Company having Share Capital proposes to increase its subscribed capital by the issue of further Shares, such shares shall be offered:         <ul> <li>(a) To persons who, at the date of the offer, are holders of equity shares of the company in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the conditions specified in the relevant provisions of Section 62 of the Act.</li> <li>(b) To employees under a scheme of employees' stock option, subject to special resolution passed by company and subject to such other conditions as may be prescribed under the relevant rules of Section 62.</li> <li>(c) To any persons, if it is authorized by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed under the relevant rules of Section 62.</li> <li>(2) The notice shall be dispatched through registered post or speed post or through electronic mode to all the existing shareholders at least three days before the opening of the issue.</li> <li>(3) Nothing in this Article shall apply to the increase of the subscribed capital of company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the company to convert such debentures or loans into shares in the company:</li></ul></li></ol>	Further Issue of shares
15.	<ul> <li>i. The Company shall have a first and paramount lien— <ul> <li>a. on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and</li> <li>b. on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the Company:</li> <li>c. Every fully paid shares shall be free from all lien and that in the case of partly paid shares the Issuer's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares</li> </ul> </li> </ul>	Lien



	Provided that the Board of directors may at any time declare any share to	
	be wholly or in part exempt from the provisions of this clause.  ii. The Company's lien, if any, on a share shall extend to all dividends payable	
	ii. The Company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.	
16.	The Company may sell, in such manner as the Board thinks fit, any shares on which	
10.	the Company has a lien:	
	Provided that no sale shall be made—	
	a. unless a sum in respect of which the lien exists is presently payable; or	
	b. until the expiration of fourteen days after a notice in writing stating and	
	demanding payment of such part of the amount in respect of which the lien	
	exists as is presently payable, has been given to the registered holder for the	
	time being of the share or the person entitled thereto by reason of his death	
	or insolvency.	
17.	i. To give effect to any such sale, the Board may authorise some person to	
	transfer the shares sold to the purchaser thereof.	
	<ol> <li>The purchaser shall be registered as the holder of the shares comprised in any such transfer.</li> </ol>	
	iii. The purchaser shall not be bound to see to the application of the purchase	
	money, nor shall his title to the shares be affected by any irregularity or	
	invalidity in the proceedings in reference to the sale.	
18.	i. The proceeds of the sale shall be received by the Company and applied in	
	payment of such part of the amount in respect of which the lien exists as is	
	presently payable.	
	ii. The residue, if any, shall, subject to a like lien for sums not presently	
	payable as existed upon the shares before the sale, be paid to the person	
	entitled to the shares at the date of the sale.	
19.	Where two or more persons are registered as the holders of any share they shall be	
	deemed to hold the same as joint-tenants with benefits of survivorship subject to the	
	following and other provisions contained in these Articles:- a) The Company shall at its discretion, be entitled to decline to register more	
	than three persons as the joint-holders of any share.	
	b) The joint-holders of any shares shall be liable severally as well as jointly for	
	and in respect of all calls and other payments which ought to be made in	
	respect of such share.	
	c) On the death of any such joint-holders, the survivor or survivors shall be the	
	only person or persons recognized by the Company as having any title to the	
	share but the Directors may require such evidence of death as they may deem	
	fit and nothing herein contained shall be taken to release the estate of a	
	deceased joint holder from any liability on shares held by him jointly with	
	any other person. d) Any one of such joint-holders may give effectual receipts of any dividends or	Joint Holdings
	other moneys payable in respect of such share.	
	e) Only the person whose name stands first in the Register of Members as one of	
	the joint-holders of any share shall be entitled to delivery of the certificate, if	
	any, relating to such share or to receive documents from the Company and	
	any documents served on or sent to such person shall be deemed served on all	
	the joint-holders.	
	f)	
	(i) Any one of the two or more joint-holders may vote at General Meeting	
	either personally or by attorney or by proxy in respect of such shares as	
	if they were solely entitled hereto and if more than one such joint-	
	holders be present at any meeting personally or by proxy or by attorney then one of such joint holders so present whose name stand first in the	
	then one of such joint holders so present whose name stand first in the Register in respect of such shares shall alone be entitled to vote in respect thereof but the other or others of the joint-holders shall be	



	entitled to vote in preference to a joint-holder present by attorney or by	
	proxy although the name of such joint-holder present by attorney or by	
	proxy stands first in Register in respect of such shares.	
	(ii) Several executors or administrators of a deceased member in whose	
	(deceased member) sole name any share stands, shall for the purpose of	
	this Clause be deemed as Joint-Holders.	
	g) The provisions of these Articles relating to joint-holding of shares shall	
	mutatis mutandis apply to any other securities including Debentures of the	
	company registered in Joint-names.	
20.	i. The Board may, from time to time, make calls upon the members in respect of	
	any monies unpaid on their shares (whether on account of the nominal value of	
	the shares or by way of premium) and not by the conditions of allotment	
	thereof made payable at fixed times:	
	Provided that no call shall exceed one fourth of the nominal value of the	
	shares or be payable at less than one month from the date fixed for the	
	payment of the last preceding call.	
	ii. Each member shall, subject to receiving at least fourteen days' notice	
	specifying the time or times and place of payment, pay to the Company, at the	
	time or times and place so specified, the amount called on his shares.	
	iii. A call may be revoked or postponed at the discretion of the Board.	
21.	A call shall be deemed to have been made at the time when the resolution of the	
21.		
	Board authorising the call was passed and may be required to be paid by	
22	installments.	
22.	The joint holders of a share shall be jointly and severally liable to pay all calls in	
22	respect thereof.	
23.	i. If a sum called in respect of a share is not paid before or on the day appointed	
	for payment thereof, the person from whom the sum is due shall pay interest	
	thereon from the day appointed for payment thereof to the time of actual	
	payment at ten per cent. per annum or at such lower rate, if any, as the Board	
	may determine.	
	ii. The Board shall be at liberty to waive payment of any such interest wholly or	
	in part.	Calls on shares
24.	i. Any sum which by the terms of issue of a share becomes payable on allotment	
	or at any fixed date, whether on account of the nominal value of the share or	
	by way of premium, shall, for the purposes of these regulations, be deemed to	
	be a call duly made and payable on the date on which by the terms of issue	
	such sum becomes payable.	
	ii. In case of non-payment of such sum, all the relevant provisions of these	
	regulations as to payment of interest and expenses, forfeiture	
	iii. or otherwise shall apply as if such sum had become payable by virtue of a call	
	duly made and notified.	
25	The Board—	
	i. may, if it thinks fit, receive from any member willing to advance the same,	
	all or any part of the monies uncalled and unpaid upon any shares held by	
	him; and	
	ii. upon all or any of the monies so advanced, may (until the same would, but	
	for such advance, become presently payable) pay interest at such rate not	
	exceeding, unless the Company in general meeting shall otherwise direct,	
	twelve per cent per annum, as may be agreed upon between the Board and	
	the member paying the sum in advance.	
26.	Any uncalled amount paid in advance shall not in any manner entitle the member so	
1	advancing the amount, to any dividend or participation in profit or voting right on	
1	such amount remaining to be called, until such amount has been duly called-up.	
	Provided however that any amount paid to the extent called – up, shall be entitled to	
		<del></del>



	proportionate dividend and voting right.	
27.	The Board may at its discretion, extend the time fixed for the payment of any call in	
27.	respect of any one or more members as the Board may deem appropriate in any	
	circumstances.	
28.	The provisions of these Articles relating to call on shares shall mutatis mutandis	
20.	apply to any other securities including debentures of the company.	
29.	i. The shares or other interest of any member in the Company shall be a	
2).	movable property, transferable in the manner provided by the Articles.	
	ii. Each share in the Company shall be distinguished by its appropriate	
	number.	
	iii. A Certificate of the Company, specifying any shares held by any member	
	shall be prima facie evidence of the title of the member of such shares.	
30.	i. The instrument of transfer of any share in the Company shall be executed	
	by or on behalf of both the transferor and transferee.	
	ii. The transferor shall be deemed to remain a holder of the share until the	
	name of the transferee is entered in the register of members in respect	
	thereof.	
31.	The Board may, subject to the right of appeal conferred by section 58 of Companies	
	Act, 2013 and Section 22A of the Securities Contracts (Regulation) Act,	
	1956,decline to register, by giving notice of intimation of such refusal to the	
	transferor and transferee within timelines as specified under the Act-	
	i. The transfer of a share, not being a fully paid share, to a person of whom	
	they do not approve; or	
	ii. Any transfer of shares on which the Company has a lien.	
	iii. Provided however that the Company will not decline to register or	
	acknowledge any transfer of shares on the ground of the transferor being	
	either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.	
32.	The Board shall decline to recognise any instrument of transfer unless—	
32.	The Board shall decline to recognise any instrument of transfer unless—	Transfer of shares
	i. The instrument of transfer is in the form as prescribed in rules made under	
	sub-section (1) of section 56;	
	ii. The instrument of transfer is accompanied by the certificate of the shares to	
	which it relates, and such other evidence as the Board may reasonably	
	require to show the right of the transferor to make the transfer; and the	
	instrument of transfer is in respect of only one class of shares.	
	Provided that, transfer of shares in whatever lot shall not be refused.	
	iii. The Company agrees that when proper documents are lodged for transfer	
	and there are no material defects in the documents except minor difference	
	in signature of the transferor(s),	
	iv. Then the Company will promptly send to the first transferor an intimation	
	of the aforesaid defect in the documents, and inform the transferor that	
	objection, if any, of the transferor supported by valid proof, is not lodged	
	with the Company within fifteen days of receipt of the Company's letter,	
	then the securities will be transferred;	
	v. If the objection from the transferor with supporting documents is not	
	received within the stipulated period, the Company shall transfer the securities provided the Company does not suspect fraud or forgery in the	
33.	matter.  The Company agrees that in respect of transfer of shares where the Company has not	
33.	effected transfer of shares within 1 month or where the Company has failed to	
	communicate to the transferee any valid objection to the transfer within the	
	stipulated time period of 1 month, the Company shall compensate the aggrieved	
	party for the opportunity losses caused during the period of the delay	
	party and appartment, respect encode during the period of the delay	



34.	On giving not less than seven days' previous notice in accordance with section 91	
34.	and rules made thereunder, the registration of transfers may be suspended at such	
	times and for such periods as the Board may from time to time determine:	
	Provided that such registration shall not be suspended for more than thirty days at	
	any one time or for more than forty-five days in the aggregate in any year	
35.	The provisions of these Articles relating to transfer of Shares shall mutatis mutandis	
	apply to any other securities including debentures of the company.	
36.	The Company shall keep a book to be called the "Register of Transfers" and therein	Dogiston of
	shall be fairly and distinctly entered the particulars of every transfer or transmission of any shares.	Register of Transfers
37.	i. The provisions of this Article shall apply notwithstanding anything to the	
	contrary contained in any other Article of these Articles.	
	a. The Company shall be entitled to dematerialise its securities and to	
	offer securities in a dematerialised form pursuant to the Depository	
	Act, 1996.	
	b. Option for Investors:	
	Every holder of or subscriber to securities of the Company shall	
	have the option to receive security certificates or to hold the securities with a Depository. Such a person who is the beneficial	
	owner of the Securities can at any time opt out of a Depository, if	
	permitted, by the law, in respect of any security in the manner	
	provided by the Depositories Act, 1996 and the Company shall, in	
	the manner and within the time prescribed, issue to the beneficial	
	owner the required Certificates for the Securities.	
	If a person opts to hold its Security with a Depository, the Company	
	shall intimate such depository the details of allotment of the Security	
	c. Securities in Depository to be in fungible form:-	
	• All Securities of the Company held by the Depository shall be	
	dematerialised and be in fungible form.	
	• Nothing contained in Sections 88, 89, 112 & 186 of the	
	Companies Act, 2013 shall apply to a Depository in respect of the	Dematerialisation of
	Securities of the Company held by it on behalf of the beneficial	Securities
	Owners.	
	d. Rights of Depositories & Beneficial Owners:- Notwithstanding anything to the contrary contained in the Act a	
	Depository shall be deemed to be the registered owner for the purpose	
	of effecting transfer of ownership of Security of the Company on	
	behalf of the beneficial owner.	
	e. Save as otherwise provided in (d) above, the depository as the	
	registered owner of the Securities shall not have any voting rights or	
	any other rights in respect of the Securities held by it.	
	f. Every person holding Securities of the Company and whose name is	
	entered as the beneficial owner in the records of the depository shall be	
	deemed to be a member of the Company. The beneficial owner of	
	Securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his Securities which are held by a	
	depository.	
	ii. Notwithstanding anything contained in the Act to the contrary, where	
	Securities of the Company are held in a depository, the records of the	
	beneficial ownership may be served by such depository to the Company by	
	means of electronic mode or by delivery of floppies or discs.	
	iii. Nothing contained in Section 56 of the Companies Act, 2013 shall apply to	
	a transfer of Securities effected by a transferor and transferee both of whom	
	are entered as beneficial owners in the records of a depository.	



	iv.	Notwithstanding anything contained in the Act, where Securities are dealt	
		with by a depository, the Company shall intimate the details thereof to the	
		depository immediately on allotment of such securities.	
	v.	Nothing contained in the Act or these Articles regarding the necessity of	
	''	having distinctive numbers for Securities issued by the Company shall	
		apply to Securities held with a Depository.	
	vi	The Company shall cause to be kept at its Registered Office or at such	
	, , ,	other place as may be decided, Register and Index of Members in	
		accordance with Section 88 and other applicable provisions of the	
		Companies Act 2013 and the Depositories Act, 1996 with the details of	
		Shares held in physical and dematerialised forms in any media as may be	
		permitted by law including in any form of electronic media.	
	vii	The Register and Index of beneficial owners maintained by a depository	
	, 11.	under Section 11 of the Depositories Act, 1996, shall be deemed to be the	
		Register and Index of Members for the purpose of this Act. The Company	
		shall have the power to keep in any state or country outside India, a	
		Register of Members for the residents in that state or Country.	
38.	i.	On the death of a member, the survivor or survivors where the member was	
		a joint holder, and his nominee or nominees or legal representatives where	
		he was a sole holder, shall be the only persons recognised by the Company	
		as having any title to his interest in the shares.	
	ii.	Nothing in clause (i) shall release the estate of a deceased joint holder from	
		any liability in respect of any share which had been jointly held by him	
		with other persons.	
39.	i.	Any person becoming entitled to a share, in consequence of the death or	
		insolvency of a member may, upon such evidence being produced as may	
		from time to time properly be required by the Board and subject as	
		hereinafter provided, elect, either—	
		a. To be registered himself as holder of the share; or	
		b. To make such transfer of the share as the deceased or insolvent	
		member could have made.	
	ii.	The Board shall, in either case, have the same right to decline or suspend	
		registration as it would have had, if the deceased or insolvent member had	
		transferred the share before his death or insolvency.	
40.	i.	If the person so becoming entitled shall elect to be registered as holder of	
		the share himself, he shall deliver or send to the Company a notice in	Transmission of
		writing signed by him stating that he so elects.	Shares
	11.	If the person aforesaid shall elect to transfer the share, he shall testify his	
		election by executing a transfer of the share.	
	111.	All the limitations, restrictions and provisions of these regulations relating	
		to the right to transfer and the registration of transfers of shares shall be	
		applicable to any such notice or transfer as aforesaid as if the death or	
		insolvency of the member had not occurred and the notice or transfer were	
41.	A porce	a transfer signed by that member. on becoming entitled to a share by reason of the death or insolvency of the	
41.	holder	shall be entitled to the same dividends and other advantages to which he	
		be entitled if he were the registered holder of the share, except that he shall	
		Fore being registered as a member in respect of the share, be entitled in	
		of it to exercise any right conferred by membership in relation to meetings of	
	the Con		
		d that the Board may, at any time, give notice requiring any such person to	
		her to be registered himself or to transfer the share, and if the notice is not	
		d with within ninety days, the Board may thereafter withhold payment of all	
		ds, bonuses or other monies payable in respect of the share, until the	
		nents of the notice have been complied with.	
		•	



42.	The provisions of these Articles relating to transmission of shares shall mutatis	
	mutandis apply to any other securities including debentures of the Company.	
	No fee shall be charged for requisition of transfer, transmission, probate, succession	
	certificate and letter of admiration, Certificate of Death or marriage, power of	
	attorney or similar other documents.	
43.	If a member fails to pay any call, or installment of a call, on the day appointed for	
	payment thereof, the Board may, at any time thereafter during such time as any part	
	of the call or installment remains unpaid, serve a notice on him requiring payment of	
	so much of the call or installment as is unpaid, together with any interest which may	
	have accrued.	
44.	The notice aforesaid shall—	
	i. name a further day (not being earlier than the expiry of fourteen days from	
	the date of service of the notice) on or before which the payment required	
	by the notice is to be made; and	
	ii. State that, in the event of non-payment on or before the day so named, the	
	shares in respect of which the call was made shall be liable to be forfeited.	
45.	If the requirements of any such notice as aforesaid are not complied with, any share	
	in respect of which the notice has been given may, at any time thereafter, before the	
	payment required by the notice has been made, be forfeited by a resolution of the	
	Board to that effect.	
46.	i. A forfeited share may be sold or otherwise disposed of on such terms and	
	in such manner as the Board thinks fit.	
	ii. At any time before a sale or disposal as aforesaid, the Board may cancel the	
	forfeiture on such terms as it thinks fit.	
47.	i. A person whose shares have been forfeited shall cease to be a member in	
17.	respect of the forfeited shares, but shall, notwithstanding the forfeiture,	
	remain liable to pay to the Company all monies which, at the date of	
	forfeiture, were presently payable by him to the Company in respect of the	
	shares.	
	ii. The liability of such person shall cease if and when the Company shall have	
	received payment in full of all such monies in respect of the shares.	Forfeiture of Shares
48.	i. A duly verified declaration in writing that the declarant is a director, the	
10.	manager or the secretary, of the Company, and that a share in the Company	
	has been duly forfeited on a date stated in the declaration, shall be	
	conclusive evidence of the facts therein stated as against all persons	
	claiming to be entitled to the share;	
	ii. The Company may receive the consideration, if any, given for the share on	
	any sale or disposal thereof and may execute transfer of the shares in favour	
	of the person to whom the share is sold or disposed off;	
	iii. The transferee shall thereupon be registered as the holder of the share; and	
	iv. The transferee shall not be bound to see to the application of the purchase	
	money, if any, nor shall his title to the share be affected by any irregularity	
	or invalidity in the proceedings in reference to the forfeiture, sale or	
	disposal of the share.	
49.	The forfeiture of a share shall involve extinction at the time of forfeiture, of all	
42.	interest in and all claims and demands against the Company, in respect of the share	
	and all other rights incidental to the share.	
50.	Upon any sale after forfeiture or for enforcing a lien in exercise of the powers	
50.	hereinabove given, the Board may, if necessary, appoint some person to execute an	
	instrument for transfer of the shares sold and cause the purchaser's name to be	
	entered in the register of members in respect of the shares sold and after his name	
	has been entered in the register of members in respect of such shares the validity of	
	the sale shall not be impeached by any person.	
51.	Upon any sale, re-allotment or other disposal under the provisions of the preceding	
J1.	articles, the certificate(s), if any, originally issued in respect of the relative shares	
	arrieres, the certificate(s), if any, originally issued in respect of the relative shales	



52.	shall (unless the same shall on demand by the company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto.  The Board may, subject to the provision of the Act, accept a surrender of any share from or by any member desirous of surrendering them on such terms as they think fit.	
53.	The Provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.	
54.	The provisions of these articles relating to forfeiture of shares shall mutatis mutandis apply to any other securities including debentures of the Company.	
55.	Neither a judgment in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction there under nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from proceeding to enforce forfeiture of such shares as hereinafter provided.	Initial payment not to preclude forfeiture
56.	The Company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.	
57.	Subject to the provisions of section 61, the Company may, by ordinary resolution,— i. consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; ii. convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination; iii. sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum; iv. Cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.	Alteration of capital
58.	<ul> <li>i. the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:</li> <li>Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.</li> <li>ii. the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.</li> <li>iii. Such of the articles of the Company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively.</li> </ul>	Conversion of Shares into Stock
59.	The Company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—  i. its share capital;  ii. any capital redemption reserve account; or  iii. Any share premium account.	Reduction of Capital



60.	The Company may issue share warrants subject to, and in accordance with, the provisions of the Act, and accordingly the Board may in its discretion, with respect to any share which is fully paid-up, on application in writing signed by the person registered as holder of the share, and authenticated by such evidence (if any) of the share and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require, issue of a share warrant.  The bearer of a share warrant may at any time, deposit the warrant in the office of the Company and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending and voting and exercising the other privileges of a member at any meeting held after the expiry of two days from the time of deposit, as if his name were inserted in the register of members as the holder of the shares including in the deposited warrants.  Not more than one person shall be recognized as depositor of the share warrant. The Company shall, on two days written notice, return the deposited share warrants to the depositor.  Subject herein otherwise expressly provided, no person shall, as bearer of a share warrant, sign a requisition for calling a member of the Company or attend or vote or exercise any other privilege of a member at a meeting of the Company, or be entitled to receive any notice from the Company.  The bearer of share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the register of members as the holders of shares included in the warrant, and he shall be a member of the Company.  The Board may from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant of coupon may be issued by way of renewal in case of defacement, loss or destruction.	Share Warrants
61.	<ul> <li>i. The Company in general meeting may, upon the recommendation of the Board, resolve— <ul> <li>a. that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and</li> <li>b. that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.</li> <li>ii. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards— <ul> <li>a. paying up any amounts for the time being unpaid on any shares held by such members respectively;</li> <li>b. paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up bonus shares, to and amongst such members in the proportions aforesaid;</li> <li>c. partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b);</li> <li>d. A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;</li> <li>e. The Board shall give effect to the resolution passed by the Company in pursuance of this -regulation.</li> <li>iii. Allotment or Distribution of Bonus Shares shall not be made to those Members who furnish to the Company in written intimation waiving their entitlement to receive such allotment or distribution of shares credited as fully paid up pursuant to this Article 61 as the case may be, and accordingly</li> </ul> </li> </ul></li></ul>	Capitalisation of profits



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62.	the corresponding amount shall not be capitalized.  i. Whenever such a resolution as aforesaid shall have been passed, the Board	
02.	i. Whenever such a resolution as aforesaid shall have been passed, the Board shall—	
	a) make all appropriations and applications of the undivided profits	
	resolved to be capitalised thereby, and all allotments and issues of	
	fully paid shares if any; and	
	b) Generally to do all acts and things required to give effect thereto.	
	ii. The Board shall have power—	
	a) to make such provisions, by the issue of fractional certificates or	
	by payment in cash or otherwise as it thinks fit, for the case of	
	shares becoming distributable infractions; and	
	b) to authorise any person to enter, on behalf of all the members	
	entitled thereto, into an agreement with the Company providing	
	for the allotment to them respectively, credited as fully paid-up, of	
	any further shares to which they may be entitled upon such	
	capitalisation, or as the case may require, for the payment by the	
	Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the	
	amount or any part of the amounts remaining unpaid on their	
	existing shares;	
	iii. Any agreement made under such authority shall be effective and binding on	
	such members.	
63.	Notwithstanding anything contained in these articles but subject to the provisions of	
	sections 68 to 70 and any other applicable provision of the Act or any other law for	<b>Buy-back of shares</b>
	the time being in force, the Company may purchase its own shares or other specified	
	securities.	
64.	All General Meetings other than annual general meeting shall be called extra-	
65.	ordinary general meetings.  i. The Board may, whenever it thinks fit, call an extraordinary general	
05.	meeting.	
	moving.	
	ii. 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 and/or as may	
	be provided by Securities Exchange Board of India or any stock exchange	
	where the shares of the company are listed:	Conord Mosting
	Provided that a general meeting may be called after giving a shorter notice	General Meeting
	if consent is given in writing or by electronic mode by not less than ninety-	
	five per cent or such other percent of the members entitled to vote at such	
	meeting as may be provided from time to time in the Companies Act, 2013	
	or any rules, regulations or notifications made/issued thereunder.	
	iii. If at any time directors capable of acting who are sufficient in number to	
	form a quorum are not within India, any director or any two members of the	
	Company may call an extraordinary general meeting in the same manner,	
	as nearly as possible, as that in which such a meeting may be called by the Board.	
66.	i. No business shall be transacted at any general meeting unless a quorum of	
00.	members is present at the time when the meeting proceeds to business.	
	ii.	Proceedings at
	i. Unless the number of members as on date of meeting are not more than	general meetings
	one thousand, five members personally present shall be the quorum for a	5
	general meeting of the Company.	
	ii. In any other case, the quorum shall be decided as under:	



	T	
	<ul><li>a) 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;</li><li>b) thirty members personally present if the number of members as on the date of the meeting exceeds five thousand;</li></ul>	
67.	The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the Company.	
68.	If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.	
69.	If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.	
70.	The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.	
71.	A declaration by the Chairman in pursuance of Section 107 of the Companies Act, 2013 that on a show of hands, a resolution has or has not been carried, either unanimously or by a particular majority, and an entry to that effect in the books containing the minutes of the proceedings of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favour of or against such resolution.	
72.	<ul> <li>i. Before or on the declaration of the result of the voting on any resolution of a show of hands, a poll may be ordered to be taken by the Chairman of the meeting of his own motion and shall be ordered to be taken by him on a demand made in that behalf by any member or members present in person or by proxy and holding shares in the Company which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution or on which an aggregate sum of not less than five Lac rupees has been paid up.</li> <li>ii. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.</li> </ul>	Demand for poll
73.	<ul> <li>i. A poll demanded on a question of adjournment shall be taken forthwith.</li> <li>ii. A poll demanded on any other question (not being a question relating to the election of a Chairman which is provided for in Section 104 of the Act) shall be taken at such time not being later than 48 (forty eight) hours from the time when the demand was made, as the Chairman may direct.</li> </ul>	Time of taking poll
74.	<ul> <li>i. The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.</li> <li>ii. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.</li> </ul>	Adjournment of meeting
	<ul> <li>iii. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.</li> <li>iv. Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.</li> </ul>	
75.	Subject to any rights or restrictions for the time being attached to any class or classes of shares,—  i. on a show of hands, every member present in person shall have one vote; and	Voting rights
	ii. on a poll, the voting rights of members shall be in proportion to his share in	



	the paid-up equity share capital of the Company.	
76.	A member may exercise his vote at a meeting by electronic means in accordance	
70.	with section 108 and shall vote only once.	
77.	i. In the case of joint holders, the vote of the senior who tenders a vote,	
//.	whether in person or by proxy, shall be accepted to the exclusion of the	
	votes of the other joint holders.	
	ii. For this purpose, seniority shall be determined by the order in which the	
	names stand in the register of members.	
78.	A member of unsound mind, or in respect of whom an order has been made by any	
76.	court having jurisdiction in lunacy, may vote, whether on a show of hands or on a	
	poll, by his committee or other legal guardian, and any such committee or guardian	
	may, on a poll, vote by proxy.	
79.	Subject to the provisions of the Act and other provisions of these Articles, any	
19.	person entitled under the transmission clause to any shares may vote at any general	
	meeting in respect thereof as if he was the registered holder of such shares, provided	
	that at least 48 (forty eight) hours before the time of holding the meeting or	
	adjourned meeting as the case may be at which he proposes to vote, he shall satisfy	
	the Directors of his right to such shares unless the Directors shall have previously	
	admitted his right to vote at such meeting in respect thereof.	
80.	Any business other than that upon which a poll has been demanded may be preceded	
00.	with, pending the taking of the poll.	
81.	No member shall be entitled to vote at any general meeting unless all calls or other	
01.	sums presently payable by him in respect of shares in the Company have been paid.	
82.	i. No objection shall be raised to the qualification of any voter except at the	
02.	meeting or adjourned meeting at which the vote objected to is given or	
	tendered, and every vote not disallowed at such meeting shall be valid for	
	all purposes.	
	ii. Any such objection made in due time shall be referred to the Chairperson of	
	the meeting, whose decision shall be final and conclusive.	
83	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 exercised any right of lien.	
84.	In the case of an equality of votes, whether on a show of hands or on a poll, the	
	Chairman of the meeting at which the show of hands takes place or at which the	Casting Vote
	polls is demanded shall be entitled to a casting vote in addition to his own vote or	
	votes to which he may be entitled as a member.	
85.	A body corporate (whether a Company within the meaning of the Act or not) if it is	
	a member or creditor (including a holder of debentures) of the Company may in	Representation of
	accordance with the provisions of Section 113 of the Companies Act, 2013 authorise	Body Corporate
	such person by a resolution of its Board of Directors as it thinks fit, to act as its	2 out corporate
	representative at any meeting of the Company or of any class of members of the	
0.5	Company or at any meeting of creditors of the Company.	
86.	The Company shall comply with provisions of Section 111 of the Companies Act,	Circulation of
07	2013, relating to circulation of member's resolution.	member's resolution
87.	The Company shall comply with provisions of Section 115 of the Act relating to	Resolution
	resolution requiring special notice.	requiring special
88.	The provisions of Section 116 of Companies Act, 2013 shall apply to resolutions	notice
00.	passed at an adjourned meeting of the Company, or of the holders of any class of	
	shares in the Company and of the Board of Directors of the Company and the	Resolutions passed
	resolutions shall be deemed for all purposes as having been passed on the date on	at adjourned
	which in fact they were passed and shall not be deemed to have been passed on any	meeting
	earlier date.	
89.	The Company shall comply with the provisions of Section 117 and 179 of the	Registration of
07.	The company shan compry with the provisions of section 117 and 177 of the	registration of



	Companies Act, 2013 relating to registration of certain resolutions and agreements.	resolutions and
90.	<ul> <li>i. The Company shall cause minutes of all proceedings of general meetings, and of 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 the purpose with their pages consecutively numbered.</li> <li>ii. Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such books shall be dated and signed:  A. in the case of minutes of proceedings of the Board or of a Committee thereof by the Chairman of the said meeting or the Chairman of the next succeeding meeting.  B. in the case of minutes of proceedings of the general meeting by Chairman of the said meeting within the aforesaid period, of thirty days or in the event of the death or inability of that Chairman within that period, by a Director duly authorised by the Board for the purpose.</li> <li>C. In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.</li> <li>D. The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.</li> <li>E. All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meeting.</li> <li>F. 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, if any dissenting from or not concurring in the resolution.</li> <li>iii. Nothing contained in Clauses (a) to (d) hereof shall be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting:  is or could reasonably be regarded, as defamatory of any person is irrelevant or immaterial to the proceedings; or In detrimental to the interests of the Company.</li> <li>iv. The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any ma</li></ul>	Minutes of proceedings of general meeting and of Board and other meetings
91.	The minutes of meetings kept in accordance with the provisions of Section 118 of the Companies Act, 2013 shall be evidence of the proceedings recorded therein.	Minutes to be considered to be evidence
92.	No document purporting to be a report of the proceedings of any general meeting of the Company shall be circulated or advertised at the expenses of the Company unless it includes the matters required by Section 118 of the Act to be contained in the Minutes of the proceedings of such meeting.	Publication of reports of proceeding of general meetings
93.	The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of ₹a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.  An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.	Proxy



95.	A vote given in accordance with the terms of an instrument of proxy shall be valid,	
	notwithstanding the previous death or insanity of the principal or the revocation of	
	the proxy or of the authority under which the proxy was executed, or the transfer of	
	the shares in respect of which the proxy is given:	
	Paraidad da da a discinación de acidida de contrata de de decembra de contrata	
	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	
0.6	the meeting or adjourned meeting at which the proxy is used.	
96.	The First Directors of the Company shall be:	
	Madan Mohan Fomra	
07	Shree Ballabh Fomra	
97.	The Directors need not hold any "Qualification Share(s)".	
98.	Appointment of Senior Executive as a Whole Time Director Subject to the	
	provisions of the Act and within the overall limit prescribed under these Articles for	
	the number of Directors on the Board, the Board may appoint any persons as a	
	Whole Time Director of the Company for such a period and upon such terms and	
	conditions as the Board may decide. The Senior Executive so appointed shall be	
	governed by the following provisions:	
	He may be lighte to notine by notation as mayided in the Act but shall be cligible for	
	He may be liable to retire by rotation as provided in the Act but shall be eligible for	
	re-appointment. His re-appointment as a Director shall not constitute a break in his appointment as Whole Time Director. He shall be reckoned as Director for the	
	purpose of determining and fixing the number of Directors to retire by rotation. He	
	shall cease to be a Director of the Company on the happening of any event specified	
	in Section 164 of the Act. Subject to what is stated herein above, he shall carry out	
	· ·	
	and perform all such duties and responsibilities as may, from time to time, be conferred upon or entrusted to him by Managing Director(s) and / or the Board, shall	
	exercise such powers and authorities subject to such restrictions and conditions and /	
	or stipulations as the Managing Director(s) and /or the Board may, from time to time	
	determine.	
	determine.	
	Nothing contained in this Article shall be deemed to restrict or prevent the right of	<b>Board of Directors</b>
	the Board to revoke, withdraw, alter, vary or modify all or any such powers,	
	authorities, duties and responsibilities conferred upon or vested in or entrusted to	
	such whole time directors.	
99.	i. The remuneration of the directors shall, in so far as it consists of a monthly	
	payment, be deemed to accrue from day-to-day.	
	ii. In addition to the remuneration payable to them in pursuance of the Act, the	
	directors -may be paid all travelling, hotel and other expenses properly	
	incurred by them—	
	a. in attending and returning from meetings of the Board of Directors or	
	any committee thereof or general meetings of the company; or	
	b. in connection with the business of the company.	
100.	The Board may pay all expenses incurred in getting up and registering the company	
101.	The company may exercise the powers conferred on it by section 88 with regard to	
	the keeping of a foreign register; and the Board may (subject to the provisions of	
	that section) make and vary such regulations as it may thinks fit respecting the	
	keeping of any such register.	
102.	All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable	
	instruments, and all receipts for monies paid to the company, shall be signed, drawn,	
	accepted, endorsed, or otherwise executed, as the case may be, by such person and	
	in such manner as the Board shall from time to time by resolution determine.	
103.	Every director present at any meeting of the Board or of a committee thereof shall	
	sign his name in a book to be kept for that purpose.	
104.	i. Subject to the provisions of section 149, the Board shall have power at any	



	time, and from time to time, to appoint a person as an additional director,	
	provided the number of the directors and additional directors together shall	
	not at any time exceed the maximum strength fixed for the Board by the	
	Articles.  ii. Such person shall hold office only up to the date of the next annual general	
	meeting of the Company but shall be eligible for appointment by the	
	Company as a director at that meeting subject to the provisions of the Act.	
105.	Not less than two-thirds of the total number of Directors of the Company, excluding	
100.	the Independent directors if any appointed by the Board, shall be persons whose	
	period of office is liable to determination by retirement of Directors by rotation and	
	save as otherwise expressly provided in the Act and these Articles be appointed by	
	the Company in General Meeting.	
106.	The remaining Directors shall be appointed in accordance with the provisions of the	
	Act	
107.	At the Annual General Meeting in each year one-third of the Directors for the time	
	being as are liable to retire by rotation or, if their number is not three or a multiple of	
100	three, the number nearest to one-third shall retire from office.	Retirement and
108.	Subject to the provisions of the Act and these Articles the Directors to retire by rotation under the foregoing Article at every Annual General Meeting shall be those	Rotation of
	who have been longest in the office since their last appointment, but as between	Directors
	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.	
	Subject to the provision of the Act, a retiring Director shall retain office until the	
	dissolution of the meeting at which his reappointment is decided or successor is	
	appointed.	
109.	Subject to the provisions of the Act and these Articles, the retiring Director shall be	
110	eligible for reappointment.	
110.	Subject to the provision of the Act and these Articles, the Company, at the Annual	
	General Meeting at which a Director retires in the manner aforesaid may fill up the vacated office by electing the retiring Director or some other person thereto.	
111.	Notwithstanding anything to the contrary contained in these Articles, so long as	
	any moneys remain owing by the Company to any of the Finance Corporation or	
	Credit Corporation or to any other Finance Company or Body out of any loans	
	granted by them to the Company or Body (hereinafter in this Article referred to as	
	"the Corporation") continue to hold debentures or shares in the Company as a result	
	of underwriting or by direct subscription or private placement, or so long as any	
	liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to	
	appoint from time to time, any person or persons as a Director or Directors	
	wholetime or non-wholetime (which Director or Directors is/are hereinafter referred	
	to as "Nominee Director/s") on the Board of the Company and to remove from such	
	office any person or persons so appointed and to appoint any person or persons in	Nominee Director
	his or their places.	Nominee Director
112.	The terms and conditions of appointment of a Nominee Director/s shall be governed	
	by the agreement that may be entered into or agreed with mutual consent with such	
	Corporation. At the option of the Corporation such Nominee Director/s shall not be required to hold any share qualification in the Company. Also at the option of the	
	Corporation such Nominee Director/s shall not be liable to retirement by rotation of	
	Directors.	
113.	The Nominee Directors so appointed shall hold the said office only so long as any	
	money only so long as any moneys remain owing by the Company to the	
	Corporation or so long as the Corporation holds Shares or Debentures in the	
	Company as a result of direct subscription or private placement or the liability of the	
	Company arising out of any Guarantee is outstanding and the Nominee Director/s so	
	appointed in exercise of the said power shall ipso facto vacate such office	



	immediately, if the moneys owing by the Company to the Corporation is paid off or on the Corporation ceasing to hold debentures/shares in the Company or on the satisfaction of the liability of the Company arising out of any Guarantee furnished by the Corporation.	
114.	The Nominee Directors appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and/or the Meetings of the Committee of which the Nominee Director/s is/are members as also the minutes of such meetings. The Corporation shall also be entitled to receive all such notices and minutes. The Company shall pay to the Nominee Director/s sitting fees and expenses to which the other Directors of the Company are entitled, but if any other fees, commission monies or remuneration in any form is payable to the Directors of the Company, the fees, commission, monies and remuneration in relation to such Nominee Directors shall accrue to the Corporation and same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or by such Nominee Directors in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to the Corporation or as the case may be to such Nominee Directors.	
	Provided that if any such Nominee Directors is an Officer of the Corporation / IDBI, the sitting fees in relation to such Nominee Directors shall also accrue to the Corporation/ IDBI as the case may be and the same shall accordingly be paid by the Company directly to the Corporation.	
115.	Provided also that in the event of the Nominee Directors being appointed as Wholetime Directors such Nominee Directors shall exercise such powers and duties as may be approved by the Lenders. Such Nominee Director/s shall be entitled to receive such remuneration, fees, commission and moneys as may be approved by the Lenders.	
116.	The Company may (subject to the provisions of Act and other applicable provisions and these Articles) remove any Director before the expiry of his period of office after giving him a reasonable opportunity of being heard.	
117.	Special notice as provided in the Act shall be given of any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed at the meeting at which he is removed.	
118.	On receipt of the notice of a resolution to remove a Director under this Article, the Company shall forthwith send a copy thereof to the Director concerned and the Director (whether or not he is a member of the Company) shall be entitled to be heard on the resolution at the meeting.	
119.	Where notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect thereto representations in writing to the Company and requests its notification to members of the Company, the Company shall, if the time permits it to do so-,  (a) in any notice of the resolution given to members of the Company state the fact of the representations having been made, and  (b) send a copy of the representations to every member of the Company to whom the notice of the meeting is sent (whether before or after the receipt of representation by the Company) 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:	Removal of Directors
	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 party by the director notwithstanding that he is not a party to it.	
120.	A vacancy created by the removal of a director under this article, 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 as prescribed in the Act.	
121.	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.	
122.	If the vacancy is not filled under clause (5) above, 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 reappointed as	
	a director by the Board of Directors	
123.	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 contact 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.	
124.	Subject to provisions of the Act, the Directors including Managing or whole time Directors shall be entitled to and shall be paid such remuneration as may be fixed by the Board of Directors from time to time in recognition of the services rendered by them for the company.  In addition to the remuneration payable to the Directors as above, they may be paid all travelling, hotel and other expenses incurred by them.  a. In attending and returning from meetings of the Board of Directors and committee thereof, all General Meetings of the company and any of their adjourned sittings, or	Remuneration and sitting fees to
125.	b. In connection with the business of the Company.  Each Director shall be entitled to be paid out of the funds of the Company by way of sitting fees for his services not exceeding the sum of Rs. 1,00,000/- (Rupees One Lakh) as may be fixed by Directors from time to time for every meeting of the Board of Directors and / or committee thereof attended by him in addition to any remuneration paid to them. If any Director being willing is appointed to an executive office either whole time or part time or be called upon to perform extra services or to make any special exertions for the purpose of the Company then subject to Section 196, 197 & 198, read with Schedule V of the Act, the Board may remunerate such Directors either by a fixed sum or by a percentage of profit or otherwise and such remuneration may be either in addition to or in substitution for any other remuneration to which he may be entitled to.	Directors including Managing and whole time Directors
126.	<ol> <li>Without derogating from the powers vested in the Board of Directors under these Articles, the Board shall exercise the following powers on behalf of the Company and they shall do so only by means of resolutions passed at meetings of the Board.</li> </ol>	Powers and duties of Directors:
	<ul> <li>a. The power to make calls on shareholders in respect of money unpaid on their shares;</li> <li>b. The Power to authorize buy-back of securities under Section 68 of the Act.</li> <li>c. Power to issue securities, including debenture, whether in or outside</li> </ul>	Certain powers to be exercised by the Board only at meeting



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	India	
	d. The power to borrow moneys	
	e. The power to invest the funds of the Company,	
	f. Power to Grant loans or give guarantee or provide security in respect of	
	loans	
	g. Power to approve financial statements and the Board's Report	
	h. Power to diversify the business of the Company	
	i. Power to approve amalgamation, merger or reconstruction	
	j. Power to take over a Company or acquire a controlling or substantial	
	stake in another Company	
	k. Powers to make political contributions;	
	1. Powers to appoint or remove key managerial personnel (KMP);	
	m. Powers to take note of appointment(s) or removal(s) of one level	
	below the Key Management Personnel;	
	n. Powers to appoint internal auditors and secretarial auditor;	
	o. Powers to take note of the disclosure of director's interest and	
	shareholding;	
	p. Powers 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 reserves of the investee Company;	
	q. Powers to invite or accept or renew public deposits and related matters;	
	r. Powers to review or change the terms and conditions of public deposit;	
	s. Powers to approve quarterly, half yearly and annual financial statements	
	or financial results as the case may be.	
	Provided that the Board may by resolution passed at the 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, a principal	
	officer of the branch office, the powers specified in sub-clauses (d), (e) and (f) to the	
	extent specified in clauses (ii), (iii) and (iv) respectively on such condition as the	
	Board may prescribe.	
	ii Every resolution delegating the newer referred to in sub clause (d) of	
	ii. Every resolution delegating the power referred to in sub-clause (d) of	
	clause (i) shall specify the total amount outstanding at any one time up to	
	which moneys may be borrowed by the delegate.	
	iii Every recolution delegating the newer referred to in sub clayer (a) of clayer	
	iii. Every resolution delegating the power referred to in sub-clause (e) of clause	
	(i) shall specify the total amount up to which the funds of the Company	
	may be invested and the nature of the investments which may be made by	
	the delegate.	
	iv. Every resolution delegating the power referred to in sub-clause (f) of clause	
	(i) shall specify the total amount up to which loans may be made by the	
	delegates, the purposes for which the loans may be made and the maximum	
	amount up to which loans may be made for each such purpose in individual	
	cases.	
	cases.	
	v. Nothing in this Article shall be deemed to affect the right of the Company	
	v. Nothing in this Article 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 referred to in this Article.	
127.	i. The Board of Directors of the Company shall not except with the	
12/.	consent of the Company in general meeting:	Restriction on
	a) sell, lease or otherwise dispose of the whole, or substantially the	powers of Board
	whole, of the undertaking of the Company, or where the Company	powers or Duaru
	owns more than one undertaking of the whole or substantially the	
<u> </u>	owns more than one undertaking of the whole of substantially the	



	whole of any such undertaking		
	whole of any such undertaking;  b) ramit or give time for the repayment of any debt, due by a		
	b) remit, or give time for the repayment of any debt, due by a		
	Director;		
	c) invest, otherwise than in trust securities, the amount of		
	compensation received by it as a result of any merger or		
	amalgamation;		
	d) borrow moneys, where the money to be borrowed, together with the		
	moneys already borrowed by the Company (apart from the		
	temporary loans obtained from the Company's bankers in the		
	ordinary course of business) will exceed the aggregate of the paid-		
	up capital of the Company and its free reserves that is to say,		
	reserves not set apart for any specific purpose; or		
	e) contribute to <i>bona fide</i> charitable and other funds, aggregate of		
	which ill in any financial year, exceed five percent of its average		
	net profits during the three financial years, immediately		
	proceedings.		
	ii. Nothing contained in sub-clause (a) above shall affect:		
	11. Trouming contained in sub-clause (a) above shall affect.		
	a) the title of a buyer or other person who buys or takes a lease of any		
	such undertaking as is referred to in that sub-clause in good faith		
	and after exercising due care and caution, or		
	b) the selling or leasing of any property of the Company where the		
	ordinary business of the Company consists of, or comprises such		
	selling or leasing.		
	beaming of reasoning.		
	iii. Any resolution passed by the Company permitting any		
	transaction such as is referred to in sub-clause (i) (a) above, may		
	attach such conditions to the permission as may be specified in the		
	resolution, including conditions regarding the use, disposal or		
	investment of the sale proceeds which may result from the		
	transaction. Provided that this clause shall not be deemed to		
	authorise the Company to effect any reduction in its capital except in		
	accordance with the provisions contained in that behalf in the Act.		
	accordance with the provisions contained in that behan in the Act.		
	iv. No debt incurred by the Company in excess of the limit imposed by		
	sub-clause (d) of clause (i) above, 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.		
128.	Due regard and compliance shall be observed in regard to matters dealt with by or in		
120.	the Explanation contained in Section 180 of the Companies Act, 2013 and in regard		
	to the limitations on the power of the Company contained in Section 182 of the		
	Companies Act, 2013.		
129.	Subject to the provisions of the Act, the management of the business of the		
	Company shall be vested in the Directors and the Directors may exercise all such		
	powers and do all such acts and things as the Company is by the Memorandum of		
	Association or otherwise authorised to exercise and do and not hereby or by the		
	statue or otherwise directed or required to be exercised or done by the Company in	General powers of	
	General Meeting, but subject nevertheless to the provisions of the Act and other Act	the Company vested	
	and of the Memorandum of Association and these Articles and to any regulations, not being inconsistent with the Memorandum of Association and these Articles or the Act, from time to time made by the Company in general meeting provided that		
	no such regulation shall invalidate any prior act of the Directors which would have		
	been valid if such regulation had not been made.		
130.	Without prejudice to the general powers conferred by Article above and the other	Specific powers	
150.	1 projected to the general points comerce by Fittees above and the other	Specific powers	



given to Directors

powers conferred by these presents and so as not in any way to limit any or all of those powers and subject to the provisions of the Act and these Articles, it is hereby expressly declared that the Directors shall have the following powers:

- interest
- i. to pay and charge to the capital account of the Company and interest lawfully payable thereon under the provisions of Sections 76 corresponding to Section 40 of the Companies Act, 2013;
- ii. to purchase or otherwise acquire any lands, buildings, machinery, premises, hereditaments, property effects, assets, rights, credits, royalties, bounties and goodwill of any person, firm or Company carrying on the business which this Company is authorised to carry on, 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 acquisition to accept such title as the Board may believe or may be advised to be reasonable satisfactory;
- iii. to purchase, or take on lease for any term or terms of years, or otherwise acquire any mills or factories or any land or lands, with or without buildings and outhouses thereon, situate in any part of India, at such price or rent and under and subject to such terms and conditions as the Directors may think fit; and in any such purchase, lease or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory;
- iv. to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in shares, bonds, debentures, debenture stock or other securities of the Company, and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures, debenture stock or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged;
- v. To erect, construct, enlarge, improve, alter, maintain, pull down rebuilt or reconstruct any buildings, factories, offices, workshops or other structures, necessary or convenient for the purposes of the Company and to acquire lands for the purposes of the Company;
- vi. To let, mortgage, charge, sell or otherwise dispose of subject to the provisions of Section 180 of the Companies Act, 2013 any property of the Company either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as they think fit and to accept payment or satisfaction for the same in cash or otherwise, as they may think fit;
- vii. To insure and keep insured against loss or damage by fire or otherwise, for such period and to such extent as they may think proper, all or any part of the building, machinery, goods, stores, produce and other moveable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power;
- viii. Subject to Section 179 of the Companies Act, 2013 to open accounts with any bank or bankers or with any Company, firm, or individual and to pay money into and draw money from any account from time to time as the Directors may think fit;
- ix. To secure the fulfilment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the properties of the Company and its unpaid capital for the time being or in such other manner as they may think fit;
- x. To attach to any shares to be issued as the consideration for any contract with or property acquired by the Company, or in payment for services



- rendered to the Company, such conditions, subject to the provisions of the Act, as to the transfer thereof as they may think fit;
- xi. To accept from any member on such terms and conditions as shall be agreed, a surrender of his shares or stock or any part thereof subject to the provisions of the Act;
- xii. 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 other purposes and to execute and do all such deeds and things as may be requisite in relation to any such trusts and to provide for the remuneration of such trustee or trustees;
- xiii. 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 subject to the provisions of Section 180 of the Companies Act, 2013 to compound and allow time for payment or satisfaction of any debts due, or of any claims or demands by or against the Company;
- xiv. Subject to the provisions of Sections 180 of the Companies Act, 2013 to invest and deal with any of the moneys of the Company, not immediately required for the purpose thereof, upon such Shares, securities or investments (not being Shares in this Company) and in such manner as they may think fit, and from time to time to vary or realize such investments.
- xv. Subject to such sanction as may be necessary under the Act or these Articles, to give any Director, Officer, or other person employed by the Company, an interest in any particular business or transaction either by way of commission on the gross expenditure thereon or otherwise or a share in the general profits of the Company, and such interest, commission or share of profits shall be treated as part of the working expenses of the Company.
- xvi. To provide for the welfare of employees or ex-employees of the Company and their wives, widows, families, dependants or connections of such persons by building or contributing to the building of houses, dwelling, or chawls or by grants of money, pensions, allowances, gratuities, bonus or payments by creating and from time to time subscribing or contributing to provident and other funds, institutions, or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendances and other assistance as the Directors shall think fit;
- xvii. To establish and maintain or procure the establishment and maintenance of any contributory or non contributory pension or superannuation funds for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances or emoluments, to any persons who are or were at any time in the employment or services of the Company, or of any Company which is a subsidiary of the Company or is allied to or associated with the Company or with any such subsidiary Company, or who are or were at anytime Directors or officers of the Company or of any such other Company as aforesaid, and the wives, widows, families and dependants of any such persons and, also to establish and subsidize and subscribe to any institution, association, clubs or funds collected to be for the benefit of or to advance the interests and well being of the Company or of any such other Company as aforesaid, and make payments to or towards the insurance of any such person as aforesaid and do any of the matters aforesaid, either alone or in conjunction with any such other Company as aforesaid;
- xviii. To decide and allocate the expenditure on capital and revenue account either for the year or period or spread over the years.
- xix. To appoint and at their discretion to remove or suspend such Managers, Secretaries, Officers, Clerks, Agents and servants for permanent, temporary



131.	or special service as they may from time to time think fit, and to determine their powers and duties, and fix their salaries or emoluments and require security in such instances and to such amounts as they may think fit, and from time to time to provide for the management and transactions of the affairs of the Company in any special locality in India in such manner as they may think fit. The provisions contained in the clause following shall be without prejudice to the general powers conferred by this clause.  xx. At any time and from time to time by power of attorney to appoint any person or persons to be the Attorney or Attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these presents) and for such period and subject to such conditions as the Directors may from time to time think fit and any such appointment (if the Directors may think fit) be made in favour of any Company or the members, directors, nominees or managers of any Company or firm or otherwise in favour of any fluctuating body or person whether nominated, directly or indirectly by the Directors and such power of attorney may contain any such powers for the protection or convenience of persons dealing with such Attorneys as the Directors may think fit; and may contain powers enabling any such delegates or Attorneys as aforesaid to sub-delegate all or any of the powers, authorities, and discretion for the time being vested in them.  xxi. To enter into all such negotiations, contracts and rescind and/or vary all such contracts and to execute and do all such acts, deeds, and things in the name of on behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company;  a) Subject to the provisions of the Act and of these Articles the Board shall have power to appoint from time to time one or more Directors as Managing Director or Managing Directors and/or Whole-ti	
	time Director(s), such of the power hereby vested in the Board generally as it thinks fit, and such powers may be made exercisable for	Managing Directors
	such period or periods, and upon such condition and subject to such restriction as it may determine, the remuneration of such Directors may	Power to appoint
	be by way of monthly remuneration and/or fee for each meeting and/or participation in profits, or by any or all of those modes, or of any other mode not expressly prohibited by the Act.	Managing or Whole-time Directors
	b) Subject to the approval of shareholders in their meeting, the managing director of the Company may be appointed and continue to hold the office of the chairman and managing director or Chief Executive	
	officer of the Company at the same time. c) Subject to the provisions of Sections 197 & 198 of the Act, the	
	appointment and payment of remuneration to the above Director shall be subject to approval of the members in general meeting and of the Central Government.	
132.	a) The Board of Directors may meet for the conduct of business, adjourn and	
	otherwise regulate its meetings, as it thinks fit.  b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.	Proceedings of the
133.	The quorum for meetings of Board/Committees shall be as provided in the Act or under the rules.	Board
134.	a) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.	
	meeting of the board shall be declued by a majority of votes.	



	b) In case of an equality of votes, the Chairperson of the Board, if any, shall	
	have a second or casting vote.	
135.	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	
126	general meeting of the Company, but for no other purpose.	
136.	The participation of directors in a meeting of the Board/ Committees may be either	
	in person or through video conferencing or audio visual means or teleconferencing,	
137.	as may be prescribed by the Rules or permitted under law.  a) The Board may elect a Chairperson of its meetings and determine the	
137.	period for which he is to hold office.	
	b) If no such Chairperson is elected, or if at any meeting the Chairperson is	
	not present within five minutes after the time appointed for holding the	
	meeting, the directors present may choose one of their number to be	
	Chairperson of the meeting.	
138.	a) The Board may, subject to the provisions of the Act, delegate any of its	
	powers to committees consisting of such member or members of its body as	
	it thinks fit.	
	b) Any committee so formed shall, in the exercise of the powers so delegated,	
	conform to any regulations that may be imposed on it by the Board.	
139.	a) A committee may elect a Chairperson of its meetings.	
	b) If no such Chairperson is elected, or if at any meeting the Chairperson is	
	not present within five minutes after the time appointed for holding the	
	meeting, the members present may choose one of their members to be	
140.	Chairperson of the meeting.  a) A committee may meet and adjourn as it thinks fit.	
140.	<ul><li>a) A committee may meet and adjourn as it thinks fit.</li><li>b) Questions arising at any meeting of a committee shall be determined by a</li></ul>	Delegation of
	majority of votes of the members present, and in case of an equality of	Powers of Board to
	votes, the Chairperson shall have a second or casting vote.	Committee
141.	All acts done in any meeting of the Board or of a committee thereof or by any	
	person acting as a director, shall, notwithstanding that it may be afterwards	
	discovered that there was some defect in the appointment of any one or more of such	
	directors or of any person acting as aforesaid, or that they or any of them were	
	disqualified, be as valid as if every such director or such person had been duly	
	appointed and was qualified to be a director.	
142.	Save as otherwise expressly provided in the Act, a resolution in writing, signed by	
	all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as	
	if it had been passed at a meeting of the Board or committee, duly convened and	
	held	
143.	Subject to the provisions of the Act,—	
	a) A chief executive officer, manager, Company secretary or chief financial	
	officer may be appointed by the Board for such term, at such remuneration	
	and upon such conditions as it may thinks fit; and any chief executive	Chief Executive
	officer, manager, Company secretary or chief financial officer so appointed	Officer, Manager,
	may be removed by means of a resolution of the Board;	Company Secretary
	b) A director may be appointed as chief executive officer, manager, Company	or Chief Financial
111	secretary or chief financial officer.	Officer
144.	A provision of the Act or these regulations requiring or authorising a thing to be	
	done by or to a director and chief executive officers, manager, Company Secretary	
	or chief Financial Officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer,	
	manager, company secretary or chief Financial Officer.	
145.	No Common Seal is required as per the provisions of Companies Act, 2013.	The Seal
173.	1 10 Common bear is required as per the provisions of Companies Act, 2013.	THE Dear



146.	The Company in general meeting may declare dividends, but no dividend shall	
	exceed the amount recommended by the Board.	
147.	Subject to the provisions of section 123, the Board may from time to time pay to the	
	members such interim dividends as appear to it to be justified by the profits of the	
	Company.	
148.	a) The Board may, before recommending any dividend, set aside out of the	
	profits of the Company such sums as it thinks fit as a reserve or reserves	
	which shall, at the discretion of the Board, be applicable for any purpose	
	to which the profits of the Company may be properly applied, including	
	provision for meeting contingencies or for equalising dividends; and	
	pending such application, may, at the like discretion, either be employed	
	in the business of the Company or be invested in such investments	
	(other than shares of the Company) as the Board may, from time to	
	time, thinks fit.	
	b) The Board may also carry forward any profits which it may consider	
149	necessary not to divide, without setting them aside as a reserve.	
149	a) 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.	
	b) No amount paid or credited as paid on a share in advance of calls shall	
	be treated for the purposes of this regulation as paid on the share.	
	c) All dividends shall be apportioned and paid proportionately to the	
	amounts paid or credited as paid on the shares during any portion or	
	portions of the period in respect of which the dividend is paid; but if any	Dividends and
	share is issued on terms providing that it shall rank for dividend as from	Reserve
	a particular date such share shall rank for dividend accordingly.	
150.	The Board may deduct from any dividend payable to any member all sums of	
	money, if any, presently payable by him to the Company on account of calls or	
151.	otherwise in relation to the shares of the Company.  a) Any dividend, interest or other monies payable in cash in respect of	
131.	a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed	
	to the registered address of the holder or, in the case of joint holders, to	
	the registered address of that one of the joint holders who is first	
	named on the register of members, or to such person and to such	
	address as the holder or joint holders may in writing direct.	
	b) Every such cheque or warrant shall be made payable to the order of the	
	person to whom it is sent.	
152.	Any one of two or more joint holders of a share may give effective receipts for any	
	dividends, bonuses or other monies payable in respect of such share.	
153.	Notice of any dividend that may have been declared shall be given to the persons	
171	entitled to share therein in the manner mentioned in the Act.	
154.	No dividend shall bear interest against the Company.	
	Provided however that no amount outstanding as unclaimed dividends shall be	
	forfeited unless the claim becomes barred by law and that such forfeiture, when effected, will be annulled in appropriate cases;	
155.	Where a dividend has been declared by a company but has not been paid or claimed	
155.	within thirty days from the date of the declaration, the company shall, within seven	
	days from the date of expiry of the 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 as per provisions of section 124 and any other pertinent provisions in rules	
	made thereof.	



	The company shall transfer any money transferred to the unpaid dividend account of	
	a company that remains unpaid or unclaimed for a period of seven years from the	
	date of such transfer, to the Fund known as Investor Education and Protection Fund	
	established under section 125 of the Act.	
156.	The Board may retain dividends payable upon shares in respect of which any person	
100.	is, under the Transmission Clause hereinbefore contained, entitled to become a	
	member, until such person shall become a member in respect of such shares.	
157.	Payment in any way whatsoever shall be made at the risk of the person entitled to	
137.	the money paid or to be paid. The Company will not be responsible for a payment	
	which is lost or delayed. The Company will be deemed to having made a payment	
	and received a good discharge for it if a payment using any of the foregoing	
	permissible means is made.	
158.		
158.	· ·	
	what times and places and under what conditions or regulations, the accounts	
	and books of the Company, or any of them, shall be open to the inspection of	Accounts
	members not being directors.	
	b) No member (not being a director) shall have any right of inspecting any account	
	or book or document of the Company except as conferred by law or authorised	
	by the Board or by the Company in general meeting.	
159.	Minutes Books of General Meetings	
	a) The books containing the minutes of the proceedings of any general	
	meeting of the Company shall;	
	<ol> <li>be kept at the registered office of the Company, and</li> </ol>	
	ii. be open, during the business hours to the inspection of any member without	
	charge subject such reasonable restrictions as the Company may, in general	
	meeting impose so however that not less than two hours in each day are	
	allowed for inspection.	
	Provided however that any person willing to inspect the minutes books of General	
	Meetings shall intimate to the Company his willingness atleast 15 days in advance.	
	b) Any member shall be entitled to be furnished, within seven days after he	
	has made a request in that behalf of the Company, with a copy of any	Inspection of
	minutes referred to in Clause (a) above, on payment of Rs. 10/- (Ten	Statutory
	Rupees only) for each page or part thereof	Documents of the
160.	Register of charges:	Company
	a) The Company shall keep at its registered office a Register of charges	1 0
	and enter therein all charges and floating charges specifically	
	affecting any property or assets of the Company or any of its	
	undertakings giving in each case the details as prescribed under the	
	provisions of the Act.	
	b) The register of charges and instrument of charges, as per clause (i)	
	above, shall be open for inspection during business hours—	
	a. by any member or creditor without any payment of fees; or	
	b. by any other person on payment of such fees as may be prescribed,	
	Provided however, that any person willing to inspect the register of charges shall	
	intimate to the Company at least 15 days in advance, expressing his willingness to	
	inspect the register of charges, on the desired date.	
161.	a) The first Auditor of the Company shall be appointed by the Board of Directors	
101.	within 30 days from the date of registration of the Company and the Auditors so	
	appointed shall hold office until the conclusion of the first Annual General	
	Meeting.  h) Amaintment of Auditors shall be accommed by provisions of Communics Act.	Audit
	b) Appointment of Auditors shall be governed by provisions of Companies Act	
	2013 and rules made there under.	
	c) The remuneration of the Auditor shall be fixed by the Company in the Annual	
	General Meeting or in such manner as the Company in the Annual General	
1	Meeting may determine. In case of an Auditor appointed by the Board his	



	remuneration shall be fixed by the Board.  d) The Board of Director may fill any casual vacancy in the office of the auditor and where any such vacancy continues, the remaining auditor, if any may act, but where such vacancy is caused by the resignation of the auditors and vacancy shall be filled up by the Company in General Meeting.	
162.	Subject to the provisions of Chapter XX of the Act and rules made there under—  a) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.	
	<ul> <li>b) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.</li> <li>c) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or others securities whereon there is any liability.</li> </ul>	Winding up
163.	Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal Subject to the provisions of Chapter XX of the Act and rules made there under—	
164.	<ul> <li>(a) Every Director, Manager, Secretary, Trustee, Member or Debenture holder, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in or about the business of the company shall, if so required by the Board before entering upon their duties sign a declaration pledging themselves to observe a strict secrecy respecting all transactions of the Company with its customers and the state of accounts with individuals and in matters which may come to their knowledge in the discharge of their duties except when required to do so by the Board or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents.</li> <li>(b) No member shall be entitled to visit or inspect any works of the Company, without the permission of the Directors or to require discovery of or any information respecting any details of the Company's trading or business or any matter which is or may be in the nature of a trade secret, mystery of trade, secret or patented process or any other matter, which may relate to the conduct of the business of the Company and which in the opinion of the directors, it would be inexpedient in the interests of the Company to disclose.</li> </ul>	Secrecy



#### SECTION IX - OTHER INFORMATION

## MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by the Company or entered into more than two years before the date of the Draft Red Herring Prospectus) which are or may be deemed material have been entered or to be entered into by the Company which are or may be deemed material will be attached to the copy of the Prospectus, delivered to the Registrar of Companies, for registration. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered and Corporate Office between 10 a.m. and 5 p.m. on all Working Days from the date of this Draft Red Herring Prospectus until the Issue Closing Date.

### **Material Contracts**

- 1. Issue Agreement dated May 31, 2018between our Company and Hem Securities Limited as Book Running Lead Manager to the Issue.
- 2. Agreement dated May 31, 2018 executed between our Company and the Registrar to the Issue (Bigshare Service Pvt. Ltd.)
- 3. Banker to the Issue Agreement dated [●] among our Company, Book Running Lead Manager, Banker to the Issue and the Registrar to the Issue.
- 4. Market Making Agreement dated [●] between our Company, Book Running Lead Manager and Market Maker.
- 5. Underwriting Agreement dated [•] between our Company, Book Running Lead Manager and Underwriter.
- 6. Syndicate agreement dated [●] between our Company, Book Running Lead manager and Syndicate Members.
- 7. Tripartite Agreement dated [•] among CDSL, the Company and the Registrar to the Issue.
- 8. Tripartite Agreement dated [•] among NDSL, the Company and the Registrar to the Issue.

#### **Material Documents**

- 1. Certified copies of the Memorandum and Articles of Association of the Company as amended.
- 2. Certificate of Incorporation dated February 1, 1991 issued by the Registrar of Companies, West Bengal.
- 3. Fresh Certificate of Incorporation dated May 9, 2018 issued by the Registrar of Companies, Kolkata, West Bengal consequent upon Conversion of the Company to Public Company.
- 4. Copy of the Board Resolution dated May 24, 2018 authorizing the Issue and other related matters.
- 5. Copy of Shareholder's Resolution dated May 26, 2018 authorizing the Issue and other related matters.
- 6. Copies of Audited Financial Statements of our Company for the period ended January 31, 2018 and financial years ended March 31, 2017, 2016, 2015, 2014 & 2013.
- 7. Peer Review Auditors Report dated June 06, 2018 on Restated Financial Statements of our Company for the period ended January 31, 2018 and financial years ended March 31, 2017, 2016, 2015, 2014 & 2013.
- 8. Copy of the Statement of Tax Benefits dated May 19, 2018 from the Statutory Auditor.
- 9. Consents of the Book Running Lead Manager, Legal Advisor to the Issue, Registrar to the Issue, Market Maker, Underwriter, Banker to the Issue, Statutory Auditor of the Company, Peer Review Auditor, Promoters of our Company, Directors of our Company, Company Secretary and Compliance Officer, Chief Financial Officer, Bankers to our Company, as referred to, in their respective capacities.
- 10. Copy of Certificate from the Peer Review Auditors of our Company, **Mansaka Ravi & Associates**, Chartered Accountant dated June 06, 2018 regarding the Eligibility of the Issue.
- 11. Board Resolution dated June 11, 2018 for approval of Draft Red Herring Prospectus, dated [●] for approval of Prospectus
- 12. Due Diligence Certificate from Book Running Lead Manager dated June 11, 2018 filed with NSE and dated [●] filed with SEBI.



13. Approval from NSE vide letter dated [●] to use the name of NSE in the offer documents for listing of Equity Shares on the SME Platform of the NSE.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.



## **DECLARATION**

We, the person/persons mentioned herein below, as Directors or otherwise, as mentioned, certify that all relevant provisions of the Companies Act, 2013, the Companies Act, 1956, to the extent applicable, the guidelines issued by the Government of India and the regulations and guidelines issued by Securities and Exchange Board of India established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with while issuing the Draft Red Herring Prospectus. No statement made in the Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Companies Act, 1956, to the extent applicable, the Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992, each as amended from time to time or the rules made there under or regulations and guidelines issued, as the case may be. We further certify that all the statements made in the Draft Red Herring Prospectus are true and correct.

#### SIGNED BY THE DIRECTORS OF OUR COMPANY

	Mr. Madan Mohan Fomra
	Managing Director
	DIN: 00633292
	Mr. Vijay Kumar Fomra
	Whole-Time Director
	DIN: 00633315
	Mr. Shree Ballabh Fomra
	Chairman and Non-Executive Director
	DIN: 00633436
	Mr. Sekhar Kumar Halder
	Independent Director
	DIN: 08141154
	_
	Mrs. Manita Mittal
	Independent Director
	DIN: 08141151
SIGNED BY THE COMPANY SECOFFICER OF THE COMPANY:	CRETARY, CHIEF FINANCIAL OFFICER AND CHIEF EXECUTIVE
	Mr. Narendra Purohit
	Company Secretary and Compliance Officer
	_ (M. No.: 32133)
	Ms. Nikhita Chopra
	Chief Financial Officer
	(PAN No.: AAZPF9470A)
	<del>_</del> ` _ ·

**Date: June 11, 2018** 

Place: Kolkata, West Bengal

Mr. Manish Kumar Fomra
Chief Executive Officer
(PAN No.: AADPF7818C)